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Held at the Palais des Nations, Geneva,
on Thursday, 14 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

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The meeting was called to order at 3.05 p.m.

PROGRAMME IMPLEMENTATION (continued)

(d) PROCUREMENT FROM DEVELOPING COUNTRIES: PROCUREMENT POLICIES AND PRACTICES (DP/1990/28)

1. Mr. AJELLO (Assistant Administrator and Director, Bureau for Special Activities), introducing the Administrator's report on procurement from developing and underutilized donor countries (DP/1990/28), said that, for 1989, the statistical data prepared by the Inter-Agency Procurement Services Office appeared in a separate document. The value of procurement from developing countries had risen from $202 million in 1988 to $278 million in 1989, an increase of 30 per cent. The developing countries' share in total procurement, which had been 22.3 per cent in 1988, had been 27.6 per cent in 1989. And in the context of government-executed projects, procurement from developing countries had accounted for 46.6 per cent of the total in 1989. Procurement from developing countries could therefore be expected to grow to the extent that projects were ever more frequently executed by governments.

2. With regard to underutilized donor countries, the value of procurement from them, the global total of which had been $105 million in 1988, had risen to $117 million in 1989, a growth of 10.6 per cent. Although, however, procurement from Denmark, Finland, Sweden and the Netherlands had increased, that from Canada and Norway had diminished. The Office would look into the reasons for the decrease and would try to remedy it. A number of measures had in any case already been taken on behalf of underutilized donor countries: the updating of catalogues, the publication of new catalogues, the circulation of information on potential markets in Development Business and in a new bulletin "Procurement Update", the organization of seminars to bring together enterprise managers, and the setting up of a mechanism to promote awareness of suppliers located in those countries. But many problems persisted despite those initiatives: all too frequently the requisite products and services were either unavailable in those countries or not competitive; suppliers were not sufficiently interested in the tenders issued by United Nations bodies and at times did not even reply to invitations to bid expressly addressed to them. The Office, which had been moved to Copenhagen and was thus closer to the underutilized donor countries, proposed to establish ongoing contacts with potential suppliers and to organize seminars for the business community which, it was hoped, would be financed by the countries concerned.

3. The Office needed the Council's views on several matters. With regard to statistics, the Council had requested, by its decision 89/29, that they should include aspects other than equipment and contractual services. Hitherto, the statistics had also related essentially to the countries where procurement was carried out. Although some executing agencies could submit data concerning countries of origin, others had said that they were not in a position to do so. The Inter-Agency Procurement Working Group, which had held its 1990 annual meeting in Tunis the previous May, had said that it would be simpler, in future, to produce tables which took account of the procurement countries exclusively. That raised a problem of substance, since the Council alone was competent to effect any modification of procedures. It had also been proposed, at the Tunis meeting, that procurement officers should be assigned by their agencies to their main local offices. It would have to be decided how to cover the expenses relating to such assignments.

4. Although the system was aimed at encouraging procurement officers to seek out untried suppliers, some safeguards should perhaps be provided for them against financial risk stemming from delays in delivery, product defects or shortcomings in services. Again, there was the question of who would bear the cost of such safeguards.

5. The Council had authorized a price preferential of 15 per cent for developing-country suppliers, but procurement officers for agencies of the United Nations system had found the system impracticable, because the 15 per cent was allotted to the IPF of recipient countries, which thus had little interest in procuring, from another developing country, goods or services which they judged, rightly or wrongly, to be more reliable if they came from an industrialized country. There was no doubt that some form of risk insurance would be more convincing.

6. Mr. VARADACHARY (India) said he noted with satisfaction that procurement from developing countries was intensifying as a result of the policy actively pursued to that end not only by the Governing Council but also by the Economic and Social Council and the General Assembly itself. But a lot more needed to be done in that area, as had been stressed by the Council in its decision 89/29 and by the General Assembly itself, which had emphasized, in its resolution 44/211, the importance for all parts of the United Nations system to set specific goals for increasing procurement from the developing countries.

7. The Inter-Agency Procurement Services Office had done commendable work, in compiling data and in circulating information on business opportunities; but it should encourage agencies to provide it with more advance information of that kind; there was also a need to focus on relief items and the high-cost items such as vehicles, office equipment and so forth. The Office was right to envisage setting up a centralized data base; but perhaps, in addition, the major agencies should set up regional outposts of some sort, in line with an idea voiced at the Tunis meeting.

8. It was regrettable that the 15 per cent price preference for procurement from developing countries was not, in practice, yielding results as good as had been expected. The Administrator should try to apply the preferential treatment formula in favour of suppliers from developing countries. The Indian delegation welcomed the Inter-Agency Procurement Working Group's decision to hold each annual meeting henceforth in a developing country. The host country in 1991 would be India.

9. Mr. MALMIERCA (Cuba) said that, on the whole, he was satisfied with the action taken by the Administrator towards a gradual solution of the difficulties encountered in raising the volume of procurement from developing and underutilized donor countries. The relocation in Copenhagen of the Procurement Services Unit, and its change of name to "Office" was made in the interests of efficiency as was the preparation or updating of catalogues and the organization of seminars to simplify the dissemination of vital information.

10. Ms. JAKOBSEN (Norway) speaking on behalf of the Nordic countries (Denmark, Finland, Sweden and Norway), said that the report of the Administrator reflected significant progress as a result of the initiatives taken in order to achieve a more equitable geographical distribution of the

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United Nations procurement system for goods and services to UNDP's operational activities. With regard, however, to statistical reporting on procurement from the developing countries, the situation was not yet satisfactory, and the reasons given were not entirely convincing. Moreover, the Administrator's report made no mention of the psychological aspect which ought to be pursued with a view to making project personnel, technicians and administrators in the organizations less reluctant to share information about business opportunities and a little more imaginative in finding solutions which would help not only the developing countries but also some underutilized donor countries. The Nordic countries were among the latter, since they provided an important share of the resources to United Nations technical assistance and were feeling growing political concern, particularly since the procurement flow even diminished at times. Those countries thought that, although IAPSO was right to seek increased procurement from developing countries, it should also be doing more to involve underutilized donor countries; there was no conflict between the two objectives.

11. The principle of international competitive bidding remained essential and should be strictly adhered to. Clearly, UNDP could exercise only limited influence in the executing agencies' procurement practices, but it could involve itself more actively, for example through improvements in obtaining and circulating information; the regional offices could keep an updated data base on upcoming projects and those in the process of being approved - information which should be readily made available for all interested States. And UNDP's Action Committee should disclose all newly approved projects. Distribution of the "Procurement Update" bulletin was a step in the right direction, as was the creation of specific catalogues on underutilized donor countries. But in any case UNDP should be doing more, within its own organization and in regard to the funds and bodies directly linked to it, in matters of procurement, particularly with regard to services exempted from international bidding. The Administrator should, therefore, review IAPSO's mandate, particularly with a view to strengthening its operational functions.

12. Mr. MacARTHUR (United States of America) recalled the principles which his delegation upheld, namely, that procurement should be open to all countries so long as quality was maintained, and was in conformity with international competitive bidding and the procurement regulations of the United Nations development system. At the same time, the United States supported efforts to encourage the increased use of suppliers from countries that were under-represented, but would strongly oppose quotas in the award of procurement contracts for technical co-operation projects.

13. Mr. OLANIYI (Nigeria) said that he would welcome an increase in the procurement of equipment from developing and underutilized major donor countries; nevertheless current practice still left much to be desired. In project delivery, the role of equipment was highly important; but the problems related to procurement and specification were growing alarmingly. Out of 38 operationally ongoing UNDP-financed projects in Nigeria, 13 had equipment-related problems. Delays in delivery, and mistakes or omissions relating to standard or complex equipment, had a highly adverse effect on project execution. It was up to executing agencies to remedy shortcomings of that sort. His delegation earnestly hoped that the Administrator would take steps to redress the situation.

14. Mr. SKLIAROV (Union of Soviet Socialist Republics) said he supported the idea of increasing the volume of procurement in developing and underutilized donor countries. IAPSO was right to stress the changes needed in the preparation of statistics. The foremost requirement was to circulate the data in good time and to provide an adequate breakdown of costs and countries of origin. The problems could be satisfactorily solved only if there was proper co-ordination among all the various elements of the UNDP system of technical co-operation - in other words, by observing first and foremost UNDP's principle of universality.

15. Mr. OSUNA (Spain) said he wholeheartedly welcomed the initiatives outlined in the Administrator's report, which clearly showed how the underutilization of certain countries in regard to procurement could be remedied. Spain itself was underutilized: it possessed intermediate-level technology in various manufacturing and service sectors which could easily be applied to developing countries, and Spanish manufactures were competitive in price and quality. He hoped that Spain would be involved more frequently in the procurement of project goods and services.

16. Mr. MACDONALD (Australia) said he supported the idea, put forward by the Norwegian delegation, of establishing a project data base. His delegation also agreed with that of the United States on the need to respect the principle of competitive bidding.

17. Miss DOHERTY (United Kingdom) said she welcomed the steps taken by IAPSO to improve its procedures, particularly in data collection. Good statistics formed the backbone of any efficient procurement system, enabling recipient countries to know at any time what they could expect to procure in service and spares from a particular supplier. Data should show the country of procurement and country of origin, the value of purchases per supplier and the cost per line item; the larger companies would usually give an appreciable discount when they were made aware of the volume of business given to them in the past. Data could also be a negotiating tool. There should also be statistics covering other costs, such as freight and shipping, which had to be taken into consideration.

18. It would be useful if, in the printed forms used for procurement, the Office encouraged suppliers to indicate countries of origin, and drew up a list of vetting procedures as it developed its data base. The Office could indicate, in its lists of suppliers, which ones had given satisfaction.

19. She agreed with the representative of Norway that publicity should be given to projects to be undertaken in order to stimulate business opportunities; the establishment of normal competition should thereafter take over. Her delegation would support an expansion in procurement sources, on condition that the principle of international competitive bidding was respected, pursuant to General Assembly resolution 44/211, in order to ensure the procurement system's cost-effectiveness for UNDP and, especially, for the recipient Governments.

20. Mr. AQUARONE (Netherlands) said he agreed with the position stated by the representative of Norway on behalf of the Nordic countries. The problem seemed to be psychological, the question being whether project formulation and procurement officers really desired to broaden the procurement base; to be frank, he doubted it. Until that attitude changed, he did not really see how procurement in the underutilized donor countries could increase. Perhaps the Administrator of UNDP could come up with some new ideas in that regard.

21. Mr. QUALI (Observer for Algeria) said he understood the attitude of the fund providers but would nevertheless like to see an increase in the volume of developing country procurement. That would induce those countries to provide quality goods and services, and would enable any possible reduction in IPFs to be offset. While quality and price of equipment must certainly not be lost sight of, some preferential treatment ought to be accorded, initially at least, to developing countries.

22. Mr. SVENDSEN (Director, Inter-Agency Procurement Services Office), replying to the questions and comments by the members of the Council, said that, firstly, in order to know the purpose of the catalogues produced by the IAPSO, suppliers and resident representatives in the field must be asked about the reactions of companies included in the catalogues. He had found it encouraging to note that many suppliers listed in the catalogues had received not only inquiries but orders as well. Secondly, another encouraging trend was that procurement officers had become more aware of the need to expand procurement in developing countries, and in one year the volume of such procurement had increased appreciably. Thirdly, the Office for Project Support (OPS) had seconded a procurement official to Copenhagen so that UNDP could make better use, as far as its own requirements were concerned, of the underutilized major donor countries. The Office would also try to obtain advance information on business opportunities; that was essential if their products were to be known in industrial and business circles. But the principles of international bidding remained the rule. Fourthly, the Office had noted the occasional difficulties which arose in regard to equipment supplies. The latter must be compatible with local needs, they must be accompanied by carefully prepared instructions, after-sales service must be provided and maintenance was vital. By standardization the Office understood the standardizing of specifications, not that of makes. Its concern was to deliver to developing countries equipment which would really benefit them. And there were many suppliers in the developing countries whose prices were highly competitive.

23. With regard to the underutilized major donor countries, two points should be noted. Companies did not always respond to inquiries because of a low value of orders ($5,000 on average). The term "sub-contracts" meant contracts for professional services, in contrast to contracts signed with a particular expert recruited on an individual basis.

24. Mr. AJELLO (Assistant Administrator and Director, Bureau for Special Activities) said he agreed with the view expressed by a number of delegations, particularly that of Norway, about statistics. Reliable statistics were essential, but UNDP alone could not solve the problem faced in that regard. Organizations, which had frequently been invited to supply data needed in order to identify the country of origin had often made it quite clear that they were not in a position to do so. Council members should ask organizations to amend their procedures in order to alter that situation. The matter had been considered at length during the Inter-Agency Procurement Working Group's Meeting at Tunis. The Administrator had already sent a letter to all secretariat heads.

25. With regard to the price preferential of 15 per cent mentioned by the representative of India, he felt that, there too, certain rules ought to be amended. The preferential was currently borne by the IPF of the procuring country, for which there was thus no advantage - the less so since there was

no assurance that a product procured in a developing country would be of as high a quality as one from a developed country. To put that right, UNDP had proposed two types of measure: firstly, the creation of a system to guarantee product quality, spare parts supplies, after-sales services, and so on; secondly, the establishment of a central fund to finance the 15 per cent preferential.

26. In order to increase goods and services procurement in the underutilized major donor countries, UNDP needed those countries' help. Perhaps their Governments and the secretariat should jointly seek fresh solutions. And in order to make Spain's capacity better known, perhaps seminars on business opportunities could be organized in that country, as had been done in others.

27. The CHAIRMAN said that, if there was no objection, he would take it that the Council agreed that the Drafting Group should be requested to prepare a draft decision on agenda item 4 (d).

28. It was so decided.

PROGRAMME IMPLEMENTATION (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued)

(iv) MICRO-CAPITAL GRANTS (DP/1990/21).

29. Mr. GUCOVSKY (Deputy Assistant Administrator and Director, Technical Advisory Division, Bureau for Programme Policy and Evaluation) said that the Administrator, in his report (DP/1990/21), focused on how UNDP could systematize and expand support to developing countries to alleviate poverty and promote human resources development - which was the aim of the Micro-Capital Support Programme. It was an initiative which responded direct to the felt needs at the field level.

30. The proposed Micro-Capital Support Programme would enable UNDP to establish and maintain direct links with all population levels and strengthen local initiatives. Programmes such as Partners in Development, the UNV Domestic Development Services Programme, the United Nations Development Fund for Women (UNIFEM), the United Nations Sudano-Sahelian Office and others had already begun to apply themselves to that end, and some traditional UNDP technical co-operation projects had included small capital components. The results had been very good. Resident representatives, when asked about the setting up of a microfund, had all replied that there was a demand for a programme to finance micro-projects. The table annexed to document DP/1990/21 required no comment.

31. The General Assembly and the Council had mandated UNDP to emphasize the human dimension of development, and in particular, the poorest and most vulnerable sections of societies. UNDP support for poverty eradication was primarily in the form of technical assistance to national institutions engaged in formulating, promoting and delivering services to improve conditions for the poor. The examples of many non-governmental organizations, self-help organizations, the United Nations Capital Development Fund (UNCDF) and other United Nations-supported national initiatives had demonstrated that often the most effective means of improving conditions for the poor was to provide them with the means to help themselves.

32. The funding arrangements envisaged for the Micro-Capital Support Programme was based on two main principles: on the one hand, flexibility and the delegating of responsibility to the beneficiaries; and, on the other, the need for an absolute minimum of additional administrative burden on the UNDP field office and headquarters. Within UNDP, the MCSP would operate in a fully decentralized manner through committee review at both field and headquarters levels. At field level, the committee would consist of the UNDP resident representative, professionals from the private sector, and representatives of the informal sector, non-governmental organizations and government officials. It would approve the funding for and monitor the progress of individual micro-projects. The role of headquarters would be minimal, consisting primarily of establishing criteria and overall monitoring of implementation.

33. The Administrator proposed to tap $10 million per annum from SPR funds as seed capital to launch the programme. That would provide the stimulus for further action and funding through mainstream UNDP programmes and projects. He considered it essential that the Governing Council should approve the proposals at its current session; it would thus give impetus to its decision to address poverty, mobilize participation at all levels and develop human resources.

34. Mr. LIMA (Brazil) said his delegation was convinced of the important role the Micro-Capital Support Programme could play in the developing countries which faced serious problems of extreme poverty. In Brazil, that mechanism, linked to the UNDP country programme, could assist the authorities in promoting the transfer of technology and in addressing extreme poverty. As his delegation saw it, the principle of universality implied that each recipient country was eligible to apply for grants from the envisaged Microfund, without any conditionalilty, and free to utilize its resources in accordance with its own national priorities. If that was the case, his delegation was ready to support the Administrator's proposals fully.

35. Brazil was successfully applying, under its programme of technical co-operation with the Federal Republic of Germany, a capital grants programme for low-income populations in the country's poorest areas. That example augured well, and his delegation was confident that the involvement of UNDP's Division for Non-governmental Organizations and that of the Domestic Development Services (DDS) of the United Nations Volunteers were a guarantee of the Microfund's success.

36. Ms. JAKOBSEN (Norway), speaking on behalf of the Nordic countries (Denmark, Finland, Sweden and Norway), said that increasing opportunities for the poor was essential in the development process. Support for grass-roots activities and micro-enterprises was of great importance and her delegation therefore welcomed UNDP's involvement in that field. In his report, the Administrator referred to several ongoing activities in which various UNDP mechanisms, funds and programmes were used in providing small-scale capital assistance; they included country IPFs, the Special Measure Fund for Least Developed Countries, the United Nations Volunteers' Domestic Development Services, UNCDF, the United Nations Development Fund for Women (UNIFEM), the Partners in Development Programme and the Africa 2000 Network. It was thus clear that UNDP already had the necessary machinery to enable it to play an increasing role in providing small-scale capital assistance. The Nordic countries believed that such support should continue to be financed through existing mechanisms, and therefore would not be in favour of establishing yet another fund.

37. Mr. SOUTTER (Canada) said that some years ago Canada had established a micro-capital grant fund in many developing countries. It therefore recognized the value of a programme of that type, which was a way to reach the grass-roots and to provide development practitioners with direct experience of constraints at local level.

38. However, his delegation's main problem vis-à-vis the Administrator's proposal was with the funding arrangement. Canada would have preferred a fixed amount per country per year. A system in which an open-ended tranche was released upon full commitment of the first tranche did not impose, at the project selection stage, a selection discipline commensurate with maintenance of quality. What was more important, Canada could not agree to the creation of yet another extrabudgetary fund, such as the one proposed in the Administrator's report. If UNDP truly believed, as Canada did, that poverty alleviation and popular participation at all levels were important objectives, they should be funded from regular budgets and not through additional special funds. Canada proposed, therefore, that the programme should be incorporated into IPFs. To get it started, perhaps some seed money from SPRs could be earmarked. In any event, in the current tight financial situation the creation of another extrabudgetary fund might only have the effect of drawing on funds otherwise allocated to core contributions. In short, Canada could support the concept and the general methodology proposed for the Microfund; it did not support the funding arrangement proposed.

39. Mr. CHAUDOUET (France) said that, since UNDP sought to stress the essential human resources dimension in development, in which the men and women of the developing countries were seen as both the means and the end of true development, peoples had to be given the necessary tools to enable them to participate fully in their own future. Very often when a Government lacked the resources to carry out its tasks, population lacked them even more. Some institutions had already begun to mitigate the shortcomings of existing systems. That spontaneous trend was interesting, but did not go far enough; moreover, having arisen outside official structures, it involved a variety of approaches and could at times foster contradictory systems.

40. Without being a major dispenser of capital, UNDP should be able to match its technical assistance to developing countries with certain instruments complementary to its basic task. That was how France viewed the system of micro-capital grants. His delegation, therefore, could support the establishment of the project put forward by the Administrator, but believed it necessary to establish certain rules and safeguards relating to the structures to be adopted. Thus, it did not see any need to set up another administrative body. The programme established should be as light as possible. There was already the United Nations Capital Development Fund, and it would be in conformity with its task to manage the microfund and monitor its use. The local grass-root networks should follow up individual projects. In the field, the United Nations Volunteers could take an active part in project promotion and follow-up. The grants requested were on an individual scale, and one or two volunteers could quite well respond to that demand.

41. If the success of the programme sparked off a sharp increase in demand, local financial institutions would then have to be persuaded of the usefulness of projects funded in that way and entrusted with putting such a programme into operation. UNDP would then have fulfilled its task in every respect by launching pilot projects and thereafter conferring responsibility on local

institutions. In his delegation's view, the administrator's proposal should be pondered further. The programme should not involve the setting up of yet another administrative body within UNDP.

42. Mr. GRAHAM (United States of America) said that in principle he supported the creation of a Microfund, but thought it should be designed to meet the needs of a target group or community. Therefore, while agreeing that there was a need for micro-capital grants to poor groups, his delegation believed that if a special facility was created it should be funded by UNCDF and be subject to strict guidelines and criteria so as to ensure that each project was tailored to meet local needs, was operable in local conditions, and had a community-based management structure. Finally, the implementation of each project should be monitored by a competent body such as a reputable non-governmental organization, rather than by UNDP.

43. Mr. IVERSEN (Federal Republic of Germany), said he had not found any reason in the Administrator's report that really justified the creation of another fund. In his view, it was up to UNDP to formulate and implement political and administrative frameworks for poverty alleviation. The creation of another fund would merely add to the many mechanisms already in place and increase UNDP's administrative burden further, without using UNDP's comparative advantage as a multilateral technical body for co-operation. He felt that the United Nations Volunteers programme, through its DDS, could develop its links with national and international non-governmental organizations in order to provide grass-roots groups with small material inputs, but considered that the creation of another fund was not called for.

44. Mr. KITAGAWA (Japan) said he supported UNDP's provision of assistance to grass-roots activities by means such as United Nations Volunteers programme and non-governmental organizations, with a view to alleviating poverty and mobilizing under-utilized human resources. His delegation, therefore, could support the creation of a mechanism of the type proposed, on condition that it was carried out within UNDP's existing resources. For managing the Microfund, he felt that the network of field offices, with headquarters support, should be fully and effectively utilized.

45. Mr. MACDONALD (Australia) said that, although the idea of a Microfund seemed excellent, there was still the dilemma of funding it. He agreed with the Canadian representative that if a funding mechanism could be set up from existing IPFs, perhaps topped up by funds available from SPRs, the idea might be worth pursuing.

46. Such a Microfund had some resemblance to a mechanism Australia had been operating in the field for some time, entitled the Discretionary Aid Fund. He noted the Administrator's proposal that the Microfund should provide grants, not loans; he wondered whether the mechanism could not be envisaged in the form of a revolving fund financed on the basis of voluntary contributions. He was also concerned about field management. The Administrator had said that traditional village councils would provide the means of implementation at local level; but that was not convincing, since certain groups, such as women, entitled to benefit from assistance of that sort were not necessarily represented in traditional structures such as village councils. Therefore, the Australian delegation could support the proposal only to some extent, and on condition that innovative solutions for management and funding were found.

46. Mrs. BARREIRO GONZALEZ (Guatemala) said she supported the creation of a new special fund to finance microprojects. It seemed one of the most suitable solutions, for reaching the poorest and most vulnerable sections of developing societies. The benefits to be derived by providing support micro-capital as well as the effectiveness of such support in promoting and implementing development activities focused on particular groups of people should be stressed; action of that sort would enable development at the grass-roots level to be fostered by supporting the poorest groups which had lacked access to conventional funding. Such microfunds could be transformed into revolving funds, with a major multiplier effect for development as a whole.

47. Mr. MALMIERCA (Cuba) said that the Administrator's proposal to create a new mechanism to develop micro-grant facilities could make it possible to mobilize low-income population groups for development. UNDP seemed to be the body best placed to channel assistance of that type, given its experience in the field of technical co-operation. The Microfund's administrative expenses should be small, and UNDP could perhaps achieve greater cost-effectiveness than other organs of the system, because of factors such as decentralization. The project-funding criteria described by the Administrator should be applied with all due flexibility. His delegation hoped that the facility would be world-wide, and felt that the $25 million target should come out of additional resources provided by donors, and not from IPFs.

48. Miss DOHERTY (United Kingdom) said that, while supporting the concept of a mechanism to promote self-help among groups currently lacking access to such facilities, she felt that development activities should be designed to be sustainable at local and national levels, and should have government consent and commitment. The high administrative cost of some initiatives described by the Administrator in his report disquieted her delegation, which also felt that the five projects mentioned did not truly represent an approach geared to the micro-dimension. She believed, therefore, that an initial allocation of $25 million was too high, but continued to support a more cost-effective mechanism.

49. The Microfund, if created, should be used primarily for the benefit of the least developed countries, while not ruling out any suitable project. Such an approach would also reflect more closely the issues on the Governing Council's current agenda, namely, the programme approach, national execution and national capacity building. In her view, the facilities in question could very well be provided within the framework of existing country programmes, with appropriate adjustment to currently applicable project regulations and guidelines. That would enable resident representatives and those participating in project design to call on the appropriate skills within agencies, the United Nations Volunteers programme, non-governmental organizations and other bodies, so as to promote national involvement in developing complementary micro-grant facilities.

50. Her delegation, while mindful of the reservations expressed in paragraphs 36 and 37 of the report, thought that UNDP should study further, with interested Governments, the possible wider application of FAIB-style activities. It did not subscribe to the concept that a separate Microfund would necessarily generate additional resources, particularly if its creation led to an additional administrative burden and reduced profitability.

51. Ms. BWANGA-BUGONZI (Observer for Uganda) thought that the Governing Council should accept the microfund concept, bearing in mind the suggestions made by the United States of America, France, Australia, Guatemala and Cuba. But she did not think that microfund management required a separate mechanism, and felt that the task could preferably be assigned to national non-governmental organizations, which had the advantage of operating more efficiently at grass-roots level. Nor did her delegation feel that other agencies such as UNCDF or the United Nations Volunteers programme should participate directly in the Microfund, since administrative problems would be liable to arise.

52. Mr. ROHNER (Switzerland) said that he was not in favour of establishing a new independent facility; he felt that there were other ways of pursuing that objective. For instance, UNCDF could do more in that area, through composite projects and credit lines or by contributing to NGO programmes. His delegation would be in favour of allocating some resources to the United Nations Volunteers programme in order to support grass-root activities in the form of a pilot microfund, and it could agree to the earmarking of small amounts for micro-projects within national IPFs or individual projects. It also noted that the funding strategy proposed by the Administrator for assistance under IPFs included poverty alleviation; his delegation felt that micro-projects could perhaps be included under that heading, but the matter required further consideration.

53. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said it was clear that the creation of a special fund could be useful to many countries. But UNDP had already set up many funds financed by voluntary contributions, which were often in deficit; he saw no point, therefore, in creating another mechanism to deal with a matter which could be more efficiently handled by other means. In any case, his delegation felt that the issue required thorough consideration before any decision was taken. It asked the Secretariat whether the facilities already existing within UNDP might not be utilized to respond to the needs for which the proposed Microfund was envisaged.

54. Mr. GUCOVSKY (Deputy Assistance Administrator and Director, Technical Advisory Division, Bureau for Programme Policy and Evaluation) said the Administrator was proposing not the creation of a new fund but intensified support, through micro-capital support programmes, for grass-root or community activities, and that the latter would carry out and manage the programmes with minimal or no outside supervision. The intention was to provide a supplement so that the grass-roots could benefit from the skills and technology which stemmed from technical co-operation, involving all existing mechanisms.

55. He said, in response to the delegations of Brazil, Cuba and Guatemala, that the proposed programme would be available to all, without discrimination. As he saw it, the views expressed by the members of the Council were compatible with those of the Administrator, and he hoped that the explanations provided during the discussion would enable the Drafting Group to prepare a draft decision which would reflect those views.

56. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his question had not been answered.

57. Mr. GUCOVSKY (Deputy Assistance Administrator and Director, Technical Advisory Division, Bureau for Programme Policy and Evaluation) said that the needs for which existing facilities had been designed were not the same as

those for which the Microfund was intended; consequently, the Council would have to broaden the existing rules in order to enable a support programme of the sort outlined in the opening statement to be carried out. Existing mechanisms, whether UNCDF, traditional development partners or ordinary IPF activities, needed support in order to boost grass-roots action.

58. Mr. ROHNER (Switzerland) said that the Council must give the Administrator very clear guidelines so that he would know exactly what the Council expected of him.

59. The CHAIRMAN said that, if there was no objection, he would take it that the Council agreed that the Drafting Group should prepare a draft decision on agenda item 4 (b)(iv).

60. It was so decided.

UNITED NATIONS TECHNICAL CO-OPERATION ACTIVITIES (DP/1990/56 and Add.1-3)

61. Mr. BENAISSA (Department of Technical Co-operation for Development), introducing the Secretary-General's report on United Nations Technical Co-operation Activities (DP/1990/56 and Add.1-3), said that 1989 had unquestionably been the best year ever for the Department of Technical Co-operation for Development, both in qualitative and quantitative terms. The Department had devoted considerable energy in analysing the changes taking place in technical co-operation, trying to understand the implications of the various proposals for new support cost arrangements and to anticipate the adjustments that might be required.

62. Starting with the quantitative aspects, whereas the UNDP-funded portion of the programme had fallen from 75 to 70 per cent of the Department's total expenditures between 1986 and 1990, there had been a steady growth in UNFPA funding which had enabled the Department to expand its activities significantly in the field of statistics and population, through a round of censuses. Activities in development planning and development administration and finance had also grown. On the other hand, the growth rate of the programme in Africa was not satisfactory. The tendency to engage short-term consultants had continued apace: appointments for an average period of four months or less had in 1989 represented 90.2 per cent of all appointments, the recruitment of experts for one year representing only 9.8 per cent. The Department had also increased its use of national experts, volunteers and associate experts involving a wide range of expertise.

63. In 1989 the Department had registered one of the highest increases in procurement from developing countries. It had continued to impose strict control over its administrative expenses. Staffing levels had remained practically unchanged. Greater use had been made of consultants in order to provide high-quality technical back-up while maintaining due flexibility; micro-computers had been introduced throughout the four divisions in order to improve the Department's efficiency.

64. He wished to sound a note of warning about the low level of budgets currently available for future years: approval of new projects, in fact, had virtually halted. There should be no holding back in anticipation of the fifth programming cycle or new support cost arrangements, since that could delay project preparation and financing.

65. With regard to substantive areas (DP/1990/56/Add.1), a large proportion of the Department's activities in human resource development had been devoted to developing institutional capacity in the developing countries, particularly in the LDCs, so as to enable those countries to undertake policy analysis and programme implementation. To that end also, the Department had collaborated with UNCTAD in the preparations for the Second United Nations Conference on the Least Developed Countries.

66. The Department had also sought to promote international investment in all sectors by improving awareness of the developing countries' potential, particularly in Africa. It had continued to co-operate with the World Bank in studying the impact of government policies on the mining industry's performance in Africa.

67. The Department had in general followed a more multidisciplinary or integrated approach. It had tried, for example, to link the improvement of management information flows with national development planning, so as to help developing countries to raise, through the use of computer technology, the standards of national accounting and budgeting as well as of demographic, social and economic data collection. It had also been involved in developing software for measuring the hydrological data which could serve as a basis for sectoral planning of water resources.

68. For the past two years, the Department had been trying to incorporate ecological considerations at various stages of the project cycle and in various sectors, initially in the energy sector, a major factor in environmental degradation. To that end, it had established a focal point on environmental issues. He hoped that UNDP would call on the services of the Department, which had gained considerable relevant expertise over the years, in setting up a pilot Global Environmental Facility.

69. The Department, in order to increase its effectiveness, had made some progress in improving procedures for implementing specific project components, including the establishing of collaborative arrangements with universities. It had been authorized, in 1989, to provide management services, and hoped to do more in that field, since the flexibility which that modality offered made it possible to intervene in areas where its assistance would be truly needed.

70. In order to intensify its support for projects carried out by Governments, as urged by the Governing Council in its decision 89/50, the Department had initiated training in all stages of the "process" aspects of technical co-operation; "process" included all aspects of programme and project implementation, as well as incorporating managerial, institutional and financial aspects. In that way, the Department sought to assist Governments through workshops, manuals and training packages, to establish or improve existing mechanisms in order that they themselves could deal with matters such as recruitment, assignment of specialists and placement of fellowships. By way of example, a workshop had been organized at Geneva, the previous September, to assist senior staff from developing countries in national recruitment services. Hitherto most of the activities had been financed in the context of UNFPA-funded projects, but the Department hoped to become more involved in activities financed by UNDP, particularly in view of the focus on the strengthening of national capacity with a view to project execution by Governments.

71. In order to improve its efficiency and make it more responsive to changes, the Department was looking into a wide range of possibilities, including the outposting of staff to UNDP field offices as part of the decentralization process in order to assist in programme and project implementation. On programming issues, it would consult UNDP on potential mechanisms to integrate global or interrelated objectives into operational activities; another possibility would be to establish multidisciplinary teams that could provide technical support at field level, help to formulate programmes and participate in sectoral reviews. Workshops and training packages relating to all the "process" aspects of technical co-operation could be tailored to the needs of the Governments concerned, if additional financing became available.

72. The Department was also thinking about ways and means of helping Governments to set up evaluation units as part of projects, and even of combining them with research units, so as to enable them to identify their own problems and work out their own solutions, as well as to measure the impact of their activities.

73. With regard to its co-operation with UNDP, pursuant to Governing Council decision 89/50, the Department had participated in only one NATCAP the previous year, and should be collaborating more widely in round tables, NATCAPs and non-project types of assistance. The Department hoped that the Management Development Programme (MDP) would continue to call on it for support in surveys in the formulation and implementation of projects. It had long experience, as well as advisers, in the field, embracing practically the full spectrum of specialities in public sector management, which could be put to better use. Studies carried out by the United Nations Programme in Public Administration and Finance could serve as a useful basis for MDP's needs assessment work. Closer collaboration between the Department and UNDP could limit duplication of effort.

74. The Department had been working for many years in close collaboration with the Revolving Fund for Natural Resources, which gave the Department a subsidy to reimburse the cost of the technical services provided to it. Those ties had become looser as the Fund had built up its own technical and operational capacity; he therefore welcomed the return to the former arrangement, in which United Nations bodies were involved in the execution of Fund-financed projects. The Department was in a position to ensure that the expertise required by the Fund would be available at any time.

75. Mr. DEMONGEOT (United States of America) said he noted with satisfaction that the Department of Technical Co-operation for Development had strengthened its evaluation activities and adopted a more integrated and multisectoral approach in technical advisory services, that it had introduced a new dimension in training, based on the interaction of the various aspects of the process of technical assistance, and that it had collaborated in organizing a NATCAP in Africa. But he would have liked the Department to be more involved in UNDP's programming operations, in carrying out programmes to enhance management capacity and in giving technical support to projects executed by national bodies. He recalled that the Governing Council, in operative paragraph 9 of its decision 89/50, had urged UNDP and the Department to develop a more effective division of labour, in which the comparative strengths and capacities of both UNDP, including the Office for Project

Services, and the Department, were fully utilized to maximum advantage. He noted that there was still much to do in that regard and that, unlike other major executing agents, the Department, which had to rely on support-cost earnings to fund much of its substantive staff costs, might need a substantial direct UNDP contribution to enable it to maintain its substantive capacity as the scope of execution by national bodies increased and its share in project execution diminished. As a result, a case should be made for UNDP having a closer relationship with the Department than with the specialized agencies.

76. There were a number of arguments in favour of such an approach. Firstly, unlike the specialized agencies, which carried out major activities not necessarily having a direct link with technical co-operation, the Department focused essentially on the latter, as did UNDP. Secondly, whereas the General Assembly, by its resolution 32/197, had confirmed the Department's mandate to implement interdisciplinary and multisectoral projects, UNDP, when it established the Office for Project Services (OPS), had considered that the two categories of projects would be included among those most suitable for direct execution. That overlapping mandate had led to competition between the Department and OPS in project execution, despite the strong complementarity of the two spheres of activity. Thirdly, it should not be forgotten the Department and UNDP shared premises in New York, thus obviating any problem of geographical separation. That being so, it would be sensible to merge the project execution functions exercised by the Department and UNDP. In that way considerable savings, as well as a better division of labour, could be achieved. The Department would no longer be an executing agency providing UNDP with technical advisory services for development questions and interdisciplinary and multisectoral programme activities; the support it provided would be functional and no longer administrative. The Office for Project Services, or the UNDP field offices, would deal with administrative back-up and management tasks. The Department would provide functional support to any UNDP-financed project within the sphere of its competence, and would no longer have cause for concern about the erosion of funding from Programme resources. With regard to staffing, OPS, which would take over all the advisory and training services currently provided by the Department, could make use of the latter's administrative staff and thus reduce its reliance on sub-contracting, a costly item in more modest projects. In return, the Department would make its technical experts available to UNDP for the technical follow-up of all Programme-financed projects, and also for triennial reviews and appraisals. Likewise, the assigning of senior field advisers to UNDP field offices could be envisaged. In that light, UNDP should agree to fund a given proportion of expenses relating to the Department's substantive staff. The two bodies would periodically review the substantive support provided by the Department and the level of reimbursement for its services. The new arrangements concerning executing agents' support costs ought not to be of as much concern to the Department.

77. Mr. LIU Lianke (China) said that in 1989 the Department of Technical Co-operation for Development had been able, despite system-wide post reduction measures, to improve its effectiveness while tailoring its services to the developing countries' changing needs. The Department had continued to provide those countries with advisory and support services in many fields, and had attained a much higher level of project execution than in the preceding years. At a time when the developing countries were opting increasingly for

project execution by national entities, the Department had responded positively to that trend by organizing seminars and training courses on project management, follow-up and appraisal for recipient countries. He thanked the Department for the work it had carried out within the sphere of its competence, welcomed the results achieved and urged it to continue its efforts.

78. Mr. JASINSKI (Poland) said that 1989 had been a record year for the Department of Technical Co-operation for Development and certain other United Nations agencies involved in the project cycle. He had noted the efforts that had been required in order to modify and further improve the traditional modes of operation, increase inter-agency co-operation and simplify procedures with a view to obtaining better results with few resources. It was understandable that a large part of the resources organized from around the world should be devoted to Africa, and there was a welcome emphasis on the social aspects of the difficult process of economic adjustment and on the rational use of natural resources as a whole.

79. United Nations technical co-operation activities were playing an ever more important role in countries' efforts to promote their development and take account of human, social, ecological and institutional considerations; the complexity of the tasks to be addressed was bound to increase the demand for such co-operation.

80. In that regard, there should be greater interregional co-operation, inter alia through the United Nations regional economic and social commissions; perhaps future reports should pay more attention to that question. In particular, he felt that the technical potential of the region covered by the Economic Commission for Europe could be of interest to developing countries in other regions. He welcomed the establishment by DTCD of a data bank of project results and believed that it could be very useful to all countries, donor and recipient alike; he would be interested to know how one could have access to it. It would be useful, in that regard, to keep up to date a world inventory on national sources which could be referred to by interested countries and institutions for state-of-the-art knowledge and expertise. The profound changes taking place in the countries of Central and Eastern Europe were creating a demand for specific technical co-operation activities, but also offered further opportunities to increase that region's participation in such activities in areas in which it possessed comparative advantage.

81. Poland, for example, could enlarge its contribution in areas such as natural resources and energy, statistics, population, social development, environment or human settlements. The Polish authorities had recently submitted to the Department a list of institutes and companies which could be used in projects executed by the Department; they hoped that the result would be a larger proportion of contracts and the use of consultants from Poland.

82. His delegation welcomed the growing co-operation between United Nations bodies and UNDP mechanisms, including the Management Capacity Support Programme. Such co-operation would doubtless further develop as a result of the role of technical co-operation bodies in strengthening national capacities, inter alia through training and the increased use of the services of regional and interregional advisers.

The meeting rose at 6 p.m.

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SUMMARY RECORD OF THE 35th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 15 June 1990, at 10 a.m.

President: Mr. POPESCU (Romania)

later: Mr. HAMADZIRIPI (Zimbabwe)

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(c) United Nations Fund for Science and Technology for Development

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(a) Fourth programming cycle

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(viii) Women in development

The meeting was called to order at 10 a.m.

UNITED NATIONS TECHNICAL CO-OPERATION ACTIVITIES (agenda item 7) (continued) (DP/1990/56 and Add.1-3)

1. Mr. MALMIERCA (Cuba) said that his delegation had taken note of the wide-ranging activities of the Department of Technical Co-operation for Development (DTCD) in 1989.

2. He expressed his delegation's satisfaction at the efforts being made by the Department to improve its efficiency and, in particular to limit costs. His delegation believed that, DTCD could provide valuable assistance to Governments on the execution of specific projects. The Department should continue to have as one of its objectives the development of human resources. Another DTCD activity was the promotion of TCDC which should be continued in the future. The Department had also worked effectively to ensure that women played a more active part in the development process.

3. In conclusion, his delegation considered that in the future DTCD, together with other bodies in the United Nations system, such as UNCTAD, UNEP and the Centre on Transnational Corporations, could do much to improve the situation of developing countries. In its opinion, the Department therefore deserved the support of the Council.

4. Mr. SALEEM (Pakistan) said that his delegation appreciated the important role played by the Department of Technical Co-operation for Development in support of the developing countries. It was reassuring that the international community remained committed to the principles and objectives of technical co-operation as an effective means of enhancing human welfare. The Department should seek to make effective use of the knowledge, competence and national assistance services available in assigning staff to technical assistance projects.

5. In an environment of unfavourable macro-economic trends and major shortfalls in resources, technical co-operation was confronted with challenges that called for new approaches. In view of the various levels of development of developing countries, technical co-operation would have to enhance flexibility without compromising traditions and basic principles.

6. Miss DOHERTY (United Kingdom) said that her delegation was impressed by the extensive range of expertise which the Department of Technical Co-operation for Development (DTCD) could offer to the United Nations technical co-operation system. It also welcomed the vigorous way in which DTCD had pursued an ever expanding workload over a wide range of activities, while containing its staff complement. It noted from paragraph 11 of document DP/1990/56 that the introduction of micro-computer technology had facilitated the containment of staff/ratios, which should also lead to increased efficiency on the exchange of data and information in processing and implementing projects.

7. Her delegation also noted the increased use of consultants by DTCD. It would welcome information on the effects of using consultants and would like to know: whether there had been an increase in the operational cost of projects; whether the Department had achieved reductions in the Professional staff complement within DTCD as a result of using external specialists;

whether there had been any net changes in the administrative section to cover recruitment and contracting of external consultants; whether recruitment methods were based on competitive tendering; and whether consultants were used for project evaluation. With regard to figure 4 on page 9 of the document, she asked whether the sharp increase in the "efficiency" rating since 1987 was due to the increased use of consultants, and whether the employment of consultants had resulted from the wider range of demands placed upon DTCD because no permanent pool of expertise existed for those specializations.

8. Noting that the activities of DTCD had extended to management services, her delegation would welcome an assurance that there was consultation between UNDP and DTCD to ensure that there was no overlap in both the in-house expertise in each organization and the projects undertaken. That would also apply to the provision of demography expertise to UNFPA.

9. Her delegation recognized the value of DTCD's participation in consultations on mid-term country programming reviews in which their assessment of progress of projects they were executing in the country programmes would facilitate the review and provide guidance on projections. Her delegation was pleased to note the increase in evaluation activities and greater emphasis given to qualitative aspects. With regard to paragraph 42, her delegation considered that government commitment to ensure sustainability should be established from initial project appraisal and be continually reviewed to ensure that adequate provisions were planned and provided at appropriate stages of the project development until, and after, the project was phased into the regular activities of the responsible government department. The attendant back-up of training, and budgetary and manpower planning was an essential part of capacity-building but also needed to be considered at project level.

10. Her Government had been pleased to participate in the National Recruitment Service Workshop in October 1989, which it regarded as one example of capacity-building. It would welcome DTCD's report on the success rate of the workshop in facilitating the development of the national recruitment services in the participating countries.

11. Mr. KELLAND (Denmark), speaking on a point of order, noted that four meetings were to be held concurrently that day. While recognizing the difficult task facing the Bureau, he wished to point out that the practice of scheduling concurrent meetings created serious difficulties for delegations. In that connection, he thought that it would be appropriate to hold week-end meetings as well.

12. Mr. HAEMMERLI (Secretary of the Council) said that the pattern of meetings of the various bodies had closely followed the timetable set out in document DP/1990/L.4/Corr.2. In the following week, it would be necessary to convene concurrently meetings on the fifth programming cycle and agency support costs. Otherwise, it would be difficult for the Council to meet its deadline. There was no possibility of holding weekend meetings at the Palais unless all the related operational costs were paid.

13. Mr. GOPINATHAN (India) said that at the end of the Council's afternoon meeting the previous day, the representative of Cuba, who was presiding over the informal consultations, had consulted with the members and it had been agreed that parallel meetings would be held on Friday, 15 June, in order to complete the list of speakers on a particular cluster of issues.

14. Mr. PENZIN (Union of Soviet Socialist Republics) said his delegation was gratified to note that the Department of Technical Co-operation for Development (DTCD) continued to be the Secretariat's basic operational organ in the field of technical co-operation. In 1989, DTCD had carried out its largest programme and his delegation welcomed its efforts to adjust its activities in light of the changing needs of developing countries. In order to avoid duplication, it was necessary to define clearly the exact areas of competence of all involved.

15. His delegation welcomed the importance given by the Department to providing assistance in financial planning and management to African countries.

16. His country had traditionally co-operated with the Department in many areas, mainly in training national personnel. It thought that the Department should play a more active role in connection with the assistance provided by other bodies and programmes. His delegation was aware that that did not depend on the DTCD alone and considered that other entities and programmes of the United Nations system should rely to a greater extent on the Department with regard to its area of specialization. The Department was adapting itself to the changing requirements in the area of technical co-operation.

17. Mr. OUALI (Observer for Algeria) said that the Governing Council should examine the trend whereby multilateral financing bodies were being entrusted with the execution of projects, so that it could decide whether that trend was in conformity with current practices in respect of project implementation. His delegation had the impression that the capacity of the Department of Technical Co-operation for Development was under-utilized.

18. Mr. BENAISSA (Director, Department of Technical Co-operation for Development) assured members that the Department would continue to extend its services to developing countries.

19. With regard to the comments made concerning the Department's capacity-building activities he said that in 1989, DTCD had organized for the first time a training session for nationals in the recruitment process, an exercise which it hoped to continue.

20. The Department would have an evaluation of the National Recruitment Service workshop to be held in September 1990. The conclusion drawn from that experience would be used in organizing similar activities.

21. With regard to the participation of DTCD in programmatic exercises and the need to maintain and utilize to the fullest its expertise in UNDP's areas of competence, the Department stood ready to extend its co-operation and had successfully done so in the past. In fact, those exercises were based on projects which were already supported by DTCD. For example, the Department had about 25 planning projects in Africa, many of which constituted the basis for the preparation of NATCAPS and donor conference meetings.

22. As to the comments made by Poland and the USSR, the Department had initiated a review of some sectors in East European countries. It co-operated closely with the regional economic commissions. For the first time, it had integrated technical advisory services that existed in the United Nations Secretariat and included the regional commissions in a single document which would be circulated to all interested parties. It had also organized a number

of activities with regional commissions, in particular seminars on computers in 1989. He agreed that DTCD's relations with the regional commissions should be closer since they covered the same areas and the Department therefore required some support from them.

23. The data bank served as a tool which DTCD could use in order to understand the causes and weaknesses of some of its projects and as a means of overcoming them in the future. When the exercise was completed and the results more meaningful, the Department would be able to share them with interested parties.

24. The Department maintained a roster of experts, companies and institutions and welcomed any new sources. As mentioned at a previous meeting, some of the limitations faced by the Department in regard to procurement from developing countries was that its roster did not provide sufficient information on companies in Eastern Europe, the developing countries or major donor countries.

25. As to the question on management services, he said that there was no duplication of effort since the Department's action was mainly in the technical field.

26. The PRESIDENT said that, if there was no objection, he would take it that the Council agreed that the Drafting Group might begin framing a draft decision on agenda item 7.

27. It was so decided.

OTHERS FUNDS AND PROGRAMMES (agenda item 8) (continued)

(b) FOCAL POINT FOR SHORT-TERM ADVISORY SERVICES (DP/1990/58)

28. Mr. DRAPER (Administrator, United Nations Development Programme), introducing his report on the sub-item (DP/1990/58), said that the short-term advisory services (STAS) had been in operation as a pilot programme for five years and had grown steadily, spurred on by an improved climate for business in the developing countries. It had achieved solid results and broad geographic recognition. It was time to regularize that pilot programme and to assist companies both private and public, to utilize fully the resources STAS had to offer.

29. The report detailed the findings of the evaluation of the (STAS) programme carried out in December 1988. Based on that evaluation, the Administration had formulated its strategy for the programme's future. In order to grow and serve the short-term expertise needs of the enterprises of developing countries, STAS had to strengthen its communications with the local business community and broaden the range and diversity of countries from which it drew its advisers. In the past year, the STAS unit had worked to improve the areas of communications and supplier country diversity. Progress had been made but more work remained to be done.

30. To achieve better communications at the local level in developing countries, STAS intended to introduce local volunteer representatives in up to 30 countries over the next two years. They would be local business people who would bring to the job an intimate knowledge of the local business

community and its needs. They would volunteer their time, receiving only a small budget to pay for expenses. This scheme had been introduced in Indonesia in January 1990 and the initial results were very promising.

31. In an effort to achieve broader diversity in respect of countries supplying STAS advisers, steps would be taken to broaden the range of countries from which the programme recruited advisers. That would include utilizing volunteer industry specialists with broad international experience at Headquarters to assist with recruitment throughout the world in areas such as quality control, export marketing, packaging, etc. One such expert from the industrial design field had been volunteering his time to the unit over the past year with extremely good results. His work in India, for example, had led to the receipt of more than 60 inquiries from Indian firms and institutes over the past six months. Many of those had resulted in concrete requests for which STAS was currently recruiting advisers.

32. In the coming months, STAS would be playing a major role in the overall programme of assistance to Poland. In India, STAS advisers would be assisting the long depressed jute industry to develop new products and establish export marketing programmes. In Mexico and El Salvador, STAS would be helping the metals, garment and auto parts industries to become more efficient and competitive in the international marketplace. In Africa, STAS would be continuing its assistance programmes to the garment and handicraft industries in Lesotho. The prospects for STAS were exciting both in the near term and for the future.

33. The evaluation team recommended that STAS should become an operational part of UNDP as soon as possible. He fully supported that recommendation and recommended to the Council that STAS should be made an operational part of UNDP from 1 July 1990.

34. Mr. GRAHAM (United States of America) recalled his delegation had indicated in 1989 that the United States could support the short-term advisory services programme to the degree that it made an effective and efficient contribution to UNDP's provision of technical assistance. However, his delegation had wished prior to the establishment of STAS on a permanent basis, to study the evaluation carried out on it after four and a half years of its experimental life. In response to his delegation's request, the Secretariat had made the evaluation available to requesting members and his delegation had had an opportunity to review it together with additional information.

35. It was clear that the demand for STAS services was growing, with more than 200 advisers from 23 countries having undertaken missions to 51 countries by the end of 1989. His delegation understood that the pace of STAS activities had continued to increase during the first quarter of 1990 and it was pleased to learn from the evaluation that the average cost per STAS project had decreased as projects had increased. It appeared that the programme made a useful contribution to UNDP's private sector initiatives.

36. His delegation noted from the evaluation, however, that there were still growing pains, including a high rate of cancellation or withdrawal of requests, and the need to reduce the response time to requests. It also noted that demand for the programme had been less than anticipated.

37. With regard to whether STAS should have linkages to other programmes, paragraph 14 of document DP/1990/58 mentioned STAS contacts with the regional bureaux and specialized agencies. His delegation would welcome information on the results of those contacts. It would also appreciate a similar elaboration on paragraphs 12 and 13, which discussed steps taken to activate demand, reduce response time to requests, and reduce cancellations.

38. As indicated in its statement on the revised 1990-1991 budget estimates in the Budgetary and Finance Committee, his Government could support the Administrator's proposal that STAS should be made a permanent part of UNDP from 1 July 1990, that funding and staffing for the programme should be provided under programme support services at current levels, and that above a certain level, funding should come from IPFs.

39. In conclusion, he requested that an evaluation of the impact of the programme should be prepared for consideration by the Council at its thirty-ninth session.

40. Mr. POWER (Canada) said that it was time to regularize the short-term advisory services (STAS) to enable it to grow. His delegation believed that STAS had great potential and that it would be possible to build on the experience achieved to date. His delegation strongly supported the programme and thought that it should be made an operational part of UNDP.

41. Mrs. ZACHOROWSKA (Poland) noted that the short-term advisory services (STAS) had provided Governments within a relatively short period of time with senior experts and high-level specialized consultancy in a broad range of areas. Given the increasing demand on behalf of client organizations for professional services at minimum cost, her delegation saw the need for the continued growth of STAS and expansion of its activities, through initiatives already undertaken.

42. During the current year, her country expected to become a beneficiary of the STAS-type service. The experts to be provided under the programme would hopefully assist, in the first instance, private, small- and medium-sized enterprises in restructuring their operations and in adapting to a market-oriented economy. That was the task facing her Government, and it would require special attention and assistance. She was therefore pleased to see the support given by the Administrator to STAS, which was of undoubted benefit to the developing countries.

43. Miss DOHERTY (United Kingdom) said that her delegation was in favour of incorporating short-term advisory services (STAS) into permanent UNDP operations. It would like to see STAS strategy reflect country priorities by involving the private sector in the development process. That should be the starting point for any expansion schemes to promote STAS in recipient countries; attention must be focused primarily on those priority sectors that were appropriate for private sector involvement.

44. Her delegation requested further information on the percentage of expenditure to be channelled into promotion. There should be adequate guidelines to ensure that the major part of STAS expenditure was provided for implementation, and a phased promotion programme should be arranged in selected countries where private sector involvement was a priority of the country programme.

45. The promotional aspect also included an expansion of sources of expertise. That was a little surprising, inasmuch as annex II listed 33 organizations already participating, as against a total placement of 19 experts in 1989.

46. Her delegation would like to know whether further exploration was possible on promoting STAS through trade ministries and chambers of commerce and enabling voluntary promoters to draw upon such links. Admittedly, an effective system of trade associations might not exist in some developing countries. Promoters should not be given open-ended contracts, but should be offered a fixed six-month period to publicize and make contacts under the guidance of the resident representatives, who would determine target areas for each country.

47. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his country had attempted, unsuccessfully, to obtain STAS programme services, and his delegation therefore inquired what procedures had to be followed in order to receive such assistance; how the programme could help the private sector in the developing countries; what the financial impact of STAS would be if it became part of UNDP; what the sources of financing were and what would be the impact on IPFs; what the relationship would be between STAS and United Nations Volunteers; and what role the resident representatives would play.

48. Mr. MATTES (Programme Officer, Short-Term Advisory Services), replying to the question as to what was being undertaken to reduce response time, said that STAS was drawing upon the organizations listed in the annex, as well as on an informal network of individuals, many of them volunteers who had contacts with international organizations and international companies. That helped cut down on response time in many cases.

49. With regard to the question on cancellations, companies requesting assistance were asked to be as explicit as possible, and resident representatives were attempting to clarify needs. A detailed request form was currently in use.

50. Concerning country priorities, STAS was working closely with the resident representatives, who were asked to discuss with the private sector and Governments priority areas for STAS work. That effort, begun in the past year, would be intensified.

51. The awareness campaign would have to be introduced in phases; clearly, it could not be initiated in some 120 countries at the same time. The programme would be launched in those countries with the greatest potential, with voluntary staff addressing chambers of commerce, ministries of industry and business groups. The advisers would not be employed on open-ended contracts, but on a six-month basis.

52. With regard to a question on how to gain access to STAS experts, the procedure was simple: the interested country applied to the resident representative, who passed on the request to STAS.

53. As to financing, STAS was attempting to make do with the resources allocated. Additional funds would be needed for local volunteers.

54. The relationship between STAS and United Nations Volunteers was a complementary one. STAS advisers were employed for up to three months, and UNV ensured the follow-up thereafter.

55. Mr. Hamadziripi (Zimbabwe) took the Chair.

(c) UNITED NATIONS FUND FOR SCIENCE AND TECHNOLOGY FOR DEVELOPMENT (DP/1990/59)

(d) UNITED NATIONS REVOLVING FUND FOR NATURAL RESOURCES EXPLORATION (DP/1990/59; DP/NRE/PROJECTS/REC/12-14)

56. Mr. AJELLO (Assistant Administrator and Director, Bureau for Special Activities) said that UNFSTD and UNRFNRE had been established because at the time, it had been considered that the action needed to develop science and technology as well as natural resources exploration in the developing countries could not be undertaken successfully within the existing structures and resources and that new structures and additional resources were necessary.

57. It was unrealistic to assume that those activities could be absorbed by UNDP regional bureaux and financed from UNDP central resources; developing countries had urgent short-term needs and could not invest their meagre resources in projects that would only yield results in the long term. Furthermore, in natural resources exploration, project costs and the likelihood of failure were so high that no developing country could undertake such activities with resources from the indicative planning figures (IPFs). A number of projects financed by the IPFs had such components, but high-risk promotional activities and innovative pilot projects would have little chance of being carried through to a successful conclusion in the absence of an ad hoc structure with its own resources.

58. If the donor countries regarded those activities as essential, they must guarantee at least the minimum of resources needed to enable the two Funds to work effectively and profitably. He had raised the question at the thirty-sixth session of the Governing Council, but his letter to the members of the Governing Council immediately following that session had gone unanswered. Consequently, the Administrator had decided to implement a plan to restructure the Funds on the basis of existing resources, but that could not solve the problem for which a substantial increase in contributions to the Funds' central resources was required. Currently, the activity and structure of UNFSTD and UNRFNRE were being reduced to a minimum pending a change in attitude on the part of the donors.

59. Three options had been explored for the future activities and structure of the Funds: incorporating their activities in the UNDP programme; ensuring a minimum mass for their smooth functioning through the Special Programme Resources (SPR) or a similar mechanism; and significantly reducing their administrative expenses, bringing it into line with the resources allocated, regardless of how inadequate they might be.

60. The first option had been ruled out for reasons already explained. The second option would have involved major changes in the institutional framework, which for the time being had been considered inappropriate. Thus, the third option had been selected.

61. The Administrator suggested that programming and programme supervision of the two Funds should be handled by a joint unit staffed by a Director, an Assistant Director and one Professional Officer, assisted by support staff and two technical advisers, one in the field of minerals and the other in science and technology. The two advisers would, over a period of two to three years, be shifted to UNDP's Technical Advisory Division (TAD). The net effect of such shifts would be to reduce the number of professional posts from 11 to 5 and the number of support service posts from 13 to 8, total staff being reduced from 24 to 13.

62. With regard to UNFSTD, project implementation was already in the hands of executing agencies. UNRFNRE implemented its own projects directly. The Administrator would assure that work on those projects would not be interrupted and that the interests of the developing countries concerned would be fully safeguarded. In the future, new projects financed by UNRFNRE would follow the usual procedures.

63. Mr. APUNTE FRANCO (Observer for Ecuador) said that UNFSTD and UNRFNRE were of paramount importance for developing countries. Only a timely contribution by the developed countries, which were currently experiencing a period of economic prosperity, would enable the Funds to carry out their vital work.

64. Mr. KITAGAWA (Japan) said that the United Nations Revolving Fund for Natural Resources Exploration had brought remarkable benefits to developing countries. Eight mineral exploration projects had led to important discoveries, the value of which amounted to $1.5 billion at current prices. UNRFNRE had contributed significantly to the self-reliance of a number of developing countries, giving them the means to earn hard currency.

65. It had originally been hoped that UNRFNRE would revolve with the profits of discoveries. However, with annual contributions as low as $2.5 million, it was no surprise that it could not function as intended. The Fund could begin to revolve if it reached an annual level of project expenditure of about $10 million for a period of 20 to 25 years. His Government had continuously supported UNRFNRE and encouraged other donors to increase their contributions so that it could function as originally intended.

66. Japan welcomed the suggestion to merge the administrations of the two Funds as an economy measure, but their identities should be maintained. In particular, it favoured continuing UNRFNRE's current operational arrangements and regulations, as that Fund was unique in the United Nations system.

67. Miss DOHERTY (United Kingdom) said that her Government had always regarded science and technology as a central part of the general development process and had therefore been opposed to the concept of separate funds for science and technology for development and for natural resources exploration. Her delegation appreciated the work done by the Funds, and thought that the close focus on specific areas was right, underlining in that context technology information and the upgrading of existing technology.

68. Although it would prefer to see those activities as an integral part of the country programme, if the Governing Council decided otherwise, her Government would support the steps taken by the Administrator to reorganize the administration of the Funds to bring them into line with the level of available resources.

69. The United Kingdom was in favour of a joint administration with an overall reduction of staffing and welcomed the arrangements for access to technical expertise through the Technical Advisory Division (TAD) which would provide a closer link with mainstream UNDP activities in those sectors. Her Government would support any further developments to provide greater co-ordination between the activities of the Funds and the priorities of the relevant country programmes. The involvement with TAD should also facilitate the recognition of other thematic priorities, such as environmental issues. Addressing the current challenges of environmental degradation through the application of appropriate science and technology might highlight the potential relevance of the Funds' activities to general development issues. Her Government also supported arrangements for making natural resources exploration project implementation the responsibility of the executing agency. It wondered whether the Funds would have a responsibility for assessing, data collection or evaluating follow-up activities to determine the effectiveness of the Funds.

70. It would be useful for a report to be submitted in 1992 to the thirty-ninth session of the Governing Council to ensure that the new arrangements had been effective.

71. Mr. MacARTHUR (United States of America) said that his delegation supported the decision to make the Funds more cost-efficient by combining their functions under one unit and reducing staff. If contributions to the Funds remained static and well below the levels essential for their continuing as separate entities, the United States would support further consideration of whether and how they might be incorporated into regular UNDP programming. While in favour of the application of science and technology for development, his Government believed that those activities could best be handled by regular UNDP funds, bilateral resources and the private sector.

72. His delegation endorsed the Administrator's recommendation for Governing Council approval of a project concerning exploration for placer gold in the Suches area of Bolivia and took note of the reports on mineral exploration in Honduras and Peru.

73. Mrs. ZACHOROWSKA (Poland) stressed the importance of the activities offered by UNFSTD. Although the co-operation between Poland and the Fund had begun only a year ago, a wide range of activities had provided Poland with a reservoir of experience, advice and new ideas. The strong support for the Fund proved that there was a constant demand for relevant management of science and technology at governmental level, proper utilization of research results and the creation of an environment for starting small businesses. Her Government expressed its appreciation to the Fund for initiating the first business incubator in Poland. That experimental project was part of Poland's current economic reform programme, which focused on the need for assistance to small- and medium-size companies. The pilot project would begin operating at the beginning of 1992 and would serve as a model for others throughout Poland. In conclusion, she wished to underscore the fact that UNFSTD activities served as a catalyst in helping to launch initiatives with follow-up potential; her delegation was in favour of strengthening the Fund and expanding its activities.

74. Mrs. VALLARINO (Observer for Panama) said that the two Funds had not received the attention they deserved, despite their vital importance for the developing countries. UNFSTD and UNRFNRE should not be merged, because that would limit their sphere of action and ability to carry out their important work.

75. Her delegation agreed with Ecuador on the need to make available the resources needed by the Funds and appealed to donor countries for voluntary contributions so that the Funds could continue to exist separately.

76. Mr. SKLIAROV (Union of Soviet Socialist Republics) said that the appreciation expressed by the developing countries for the two Funds was proof of their importance. A number of Soviet geological organizations had recently voiced interest in the work of UNRFNRE.

77. Mr. ZHANG Guoquan (China) said that both Funds had yielded important results and opened new fields for scientific and technological co-operation with developing countries. China supported UNFSTD and UNRFNRE and considered it unfortunate that their activities would have to be restricted for lack of resources. His delegation was not in favour of merging the Funds, because both had their respective priorities and activities.

78. Mrs. SCHILLING (Venezuela) endorsed the remarks made by the representatives of Ecuador, Japan and Panama, and appealed to the industrialized countries to study the possibility of providing financial support to the two Funds, in the light of the situation of the developing countries. The gulf between the two groups of countries was becoming an abyss, especially with regard to science and technology. Now was not the time to take the decisions that were proposed. Instead, the industrialized countries could help to maintain both Funds, which were of importance to the developing countries, particularly in the light of the meagre UNDP and United Nations resources otherwise available to support those objectives.

79. Mr. MALMIERCA (Cuba) endorsed the representative of Ecuador's views on the importance of both Funds, and regretted the financial difficulties that they were facing. He appealed to donors to make contributions enabling the Funds to continue to play their role.

80. Mr. LY (Observer for Senegal) reiterated the appeal to donors to contribute to the two Funds, and in particular the UNFSTD. His delegation favoured incorporation of those activi in the UNDP programme, but thought that there must be an evaluation, to see he specific results a reorganization would engender. Whatever solution was adopted, his delegation considered that the two bodies should maintain their separate identities, in view of their different objectives.

81. Mr. SINGH (India) said that his delegation also favoured maintaining the identity of the two Funds, as well as strengthening the role of the UNFSTD.

82. Mr. LIMA (Brazil) expressed support for both Funds. In his delegation's view, every effort should be made to maintain their separate identities.

83. Ms. BWANGA-BUGONZI (Observer for Uganda) said that her delegation also supported the idea that the two Funds should not be merged, but should collaborate closely, as suggested by other delegations. Uganda was embarking

on formulation of its scientific and technological policy, after two decades of social and economic decline. It thus needed technological assistance, and also wished for an opportunity to benefit from the experience gained in technological incubators.

84. Ms. SHALABY (Observer for Egypt) endorsed other delegations' views on the need to maintain both Funds, keeping them autonomous. She appealed to all donors to come forward with the necessary resources to enable the Funds to continue with their work and make their finds generally available. Her delegation commended the achievements of both Funds in the area of technical co-operation.

85. Mr. AQUARONE (Netherlands) said that two distinct issues were being discussed. The first was the relevance of promoting science and technology for development, and natural resources exploration. It was, he believed, universally accepted that they were indeed relevant development objectives. The second issue concerned the mechanisms that could and should be used to address those challenges and goals. In that regard, wrong choices had sometimes been made. Whatever the reasons, the fact was that the Funds had failed to attract the minimum resources needed to ensure their viability. There thus seemed to be no alternative to following the Administrator's proposals. That did not mean that the aims pursued were not relevant; they could be pursued in other forums, and through other financial mechanisms, including the funds available to UNDP. His delegation therefore fully endorsed the Administrator's recommendations.

86. Mr. FLEMMING (Observer for Saint Lucia) said that his delegation enthusiastically supported the Administrator's proposals to entrust management of the two Funds to a single office, while keeping their identify separate. It hoped, however, that that move would not vitiate the current operating procedures under the respective Funds' mandates. The final sentence of paragraph 9 of document DP/1990/59 seemed to his delegation to impose unnecessary restrictions on the UNRFNRE. The UNRFNRE had for some time used many innovative practices in project execution, and it should not be restricted in any way. His delegation therefore hoped that the sentence in question would not be reflected by the drafting group in its work. Needless to say, Saint Lucia supported increased resource pledges to both Funds.

87. Mr. AJELLO (Assistant Administrator and Director, Bureau for Special Activities) stressed that it was their administrative structure, and not the Funds themselves, that was to be unified. However, the Funds' activity must be commensurate with their resources; and the decision to entrust project execution for the UNRFNRE to executing agencies was the result of that constraint. Of course, if further contributions were forthcoming, then a return to the old system might be possible.

88. With regard to the objections voiced by the representatives of the United States, the Netherlands and the United Kingdom, he said that the possibility of incorporating the Funds' activities in the UNDP central programme had indeed been considered. Some activities could be thus incorporated, and, especially in the area of science and technology, many were already included in programmes financed by IPFs. However, problems would arise regarding incorporation of other activities, particularly with respect to the UNRFNRE, in view of the high risk and the long time-frame attaching to

those activities. The minimum resources required to ensure operation of the Funds were not large: in the case of the UNRFNRE, $10 million was all that was needed. For the UNFSTD, $5 million would suffice to enable it to undertake its promotional work and pilot projects. Most science and technology activities would be incorporated in the UNDP central programme. The decision currently facing the Governing Council was simply whether to reduce the Funds' administrative and structural expenses; while leaving the door open for further reflection as to whether, in the future, they could be revitalized or an alternative solution must be found.

89. The PRESIDENT said that, if there was no objection, he would take it that the Council wished to refer to the Drafting Group the policy issues relating to the United Nations Fund for Science and Technology for Development and the United Nations Revolving Fund for Natural Resources Exploration.

90. It was so decided.

91. The PRESIDENT said that, if there was no objection, he would further take it that the Council approved Project BOL/88/N01 as contained in document DP/NRE/PROJECTS/REC/12, Exploration for Placer Gold in the Suches Area, Republic of Bolivia, for a total of $2.2 million, and that the Council took note of the approval by the Administrator of the minimum work for the project as set out in paragraph 9 of that document.

92. It was so decided.

93. The PRESIDENT said that, if there was no objection, he would also take it that the Council took note of the projects contained in document DP/NRE/PROJECTS/13 and DP/NRE/PROJECTS/14.

94. It was so decided

PROGRAMME PLANNING (agenda item 5) (continued)

(a) FOURTH PROGRAMMING CYCLE

(i) PROJECT DEVELOPMENT FACILITY (DP/1990/35)

95. Mr. TAL (Director, Planning and Co-ordination Office) said that the Project Development Facility (PDF) had been established by decision 85/4 of June 1985, to help improve the quality and effectiveness of programmes and projects financed by the United Nations, and, in particular, project identification, formulation and appraisal. The facility met the costs of the missions associated with the process, funding being provided from SPR. The other somewhat comparable arrangement, Preparatory Assistance (PA), required tripartite signatures, usually a lengthy process, and was available for project identification and formulation, but not for project appraisal.

96. Under the initial arrangements $2 million had been committed and expended. Currently, each Regional Bureau received an allocation proportional to the aggregate country IPF for the region, which it then managed within established rules. The new, highly decentralized arrangement had proved most efficient and flexible, with the demand for funds exceeding available resources. An amount of $3.5 million had been released in separate tranches.

By May 1989 practically all funds had been committed, and a further $1 million had been authorized in November 1989, funded from the replenishment from the first arrangement, as authorized by the Council. Those funds were practically exhausted, while demand continued owing to continuous calls to increase delivery. By 31 December 1989, 370 missions financed from the PDF had been undertaken, 159 under the old arrangement and 211 under the new one.

97. Agencies provided staff or recommended consultants for the PDF missions. During the Inter-Agency Consultative Meeting (IACM) held at the end of 1989, agencies had expressed their satisfaction with PDF activities in general, and with the fact that the intra-agency distribution of projects was not significantly affected by the use of those funds in the preparatory stage.

98. The "multiplier" effect of the PDF, that was to say the volume of IPF budgets generated per PDF dollar spent on completed missions, was $62. In other words, on average $62 worth of IPF budgets could be expected to be generated for each $1 spent in PDF missions that had generated projects. However, the multiplier effect measured only the direct IPF budget resulting from the PDF missions, and thus tended to underestimate the impact of the PDF, especially when cost sharing or other donors' contributions complemented the IPF effort. Based on past experience, and assuming similar behaviour of the approval process, slightly over $230 million in IPF budgets could be expected to be generated by the funds released in PDF2.

99. The most attractive feature of the PDF, especially as compared with the PA mechanism, was its flexibility. Both mechanisms assisted in the project formulation process, but the PDF did not require the formal documentation associated with the PA. Furthermore, Governments had an incentive to try new approaches to their technical co-operation needs, as IPF funds were not charged. Above all, the PDF helped in the build-up of the pipeline and allowed for project appraisal activities, areas that could not be covered through the PA mechanism.

100. The first advantage of the PDF was its speed of implementation. Missions could be fielded in one or two months, rather than the several months needed in the case of PA. Actual project finalization time had been reduced from eight to nine months to three to four months.

101. A second advantage was independence of advice. While use of PA entailed a quasi-commitment to an agency, the use of independent consultants through PDF provided a more objective view. PDF had also proved an important incentive for generating projects with third-party financing in smaller countries where IPFs were almost fully committed, and had provided Governments with an effective means of tackling risky, unconventional or innovative projects. Finally, unlike PA, PDF provided a means of complementing the skills of UNDP personnel in the appraisal process, particularly in high technology.

102. The PDF had evolved into a most efficient mechanism for the generation and improvement of the pipeline projects. The bulk of the activities had been focused on formulation or reformulation of projects, i.e. consolidation of identified projects from pipeline into actual project approvals. The decentralization of the administration of PDF to the bureau level had proved to be most effective. The allocation of funds at the regional level had provided an equitable distribution of resources while allowing enough flexibility to respond rapidly to specific country needs.

103. The level of fifth-cycle programming was expected to reach about $4.5 billion. The level of pipeline needed to sustain such a programme had been estimated at $1.1 billion of continuous projects. Assuming that the PDF impact remained constant, the $15 million requested for the next cycle should assist in the formulation of about $700 million worth of pipeline projects, roughly 60 per cent of the total required pipeline.

104. Mr. MALMIERCA (Cuba) fully supported the activities of the PDF, which made a very significant contribution to improving the quality of UNDP-financed programmes and projects. However, figure 3 of document DP/1990/35 showed that 60.7 per cent of the consultants employed were from industrialized countries. His delegation urged the PDF to use more developing country experts in its work.

105. Miss DOHERTY (United Kingdom) said that her delegation supported the PDF as a means of improving project quality and delivery. It was pleased to note that the ratio of mission costs to resulting project expenditure had improved in PDF2, although the average duration of missions seemed surprisingly long. She asked what arrangements were made to enable recipient ministries and organizations to gain experience by participating in missions.

106. Mr. EL-FERJANI (Libyan Arab Jamahiriya) endorsed the remarks made by the previous speakers on the importance of the facility, and particulary those made by the representative of Cuba regarding the need to draw on the experience of developing countries. His delegation hoped that the activities of the PDF would be expanded.

107. Mr. Popescu (Romania) resumed the Chair.

108. Mr. MacARTHUR (United States of America) said that in 1985 his Government had supported the establishment of the PDF as part of the reforms made by UNDP to improve the quality of its programmes. The intention had been that resident representatives would have access to independent, supplementary technical advice for use in the projects design stage, since the office of the resident representative or resident co-ordinator had not always been receiving the best advice from the United Nations system agencies. An important part of the PDF's function had been to increase resident representatives' or co-ordinators' access to technical expertise, to ensure that new approaches and alternative designs were considered in the process of deciding on the best approach to be taken by a particular project.

109. As document DP/1990/35 showed, UNDP called on outside consultants as well as United Nations system agencies for the expertise obtained through the facility. Furthermore, the existence of the facility remained a matter of controversy in some agencies. His delegation considered that the use of the PDF described in document DP/1990/35 had strayed beyond its original purpose of refining or reformulating project design. It was now being used almost as a substitute for normal financing of the project design process, and for the generation of new projects. In addition, it was no longer a reimbursable facility. Originally, the facility was to be reimbursed from the regular budgets if a project was indeed funded following the involvement of technical expertise financed from the facility. The PDF had not been intended for use in building up project pipeline, although its use was indeed to be intensified to enable UNDP to programme the additional resources which had become available as a result of decision 1988/31.

110. The PDF performed a number of valuable functions: the United States supported its continuance as a source of independent advice, in the development of innovative approaches and appraisal or reformulation of projects. To the extent that the decision on support costs improved the quality of technical advice from agencies and their involvement in broader sectoral analysis and development of approaches to sectoral problems, there should be less need for the sort of corrective reformulation work now financed through the PDF. The Council should bear that factor in mind when looking at resource allocations for the fifth programming cycle. His delegation also believed that the reimbursable concept should be reconsidered, to ensure that the PDF resources were actually used as a complement to regular project design funds.

111. Mr. TAL (Director, Planning and Co-ordination Office), responding to the points raised, assured the representatives of Cuba and the Libyan Arab Jamahiriya that UNDP drew on the experience of developing countries in two ways: first, from the interaction between the consultants and the developing countries, and secondly, by striving to increase the number of consultants from developing countries. In response to the representative of the United Kingdom, he said that the average duration of missions was in fact reasonable and relatively modest for a total project formulation mission.

112. The description by the representative of the United States of America of the origins of the PDF reflected the decisions and agreement that had been reached at the time. There had been no departure from the initial principle, namely, that quality should be enhanced. What had been gradually added to the PDF was its pipeline component, reflecting the fact that the PA mechanism had not been yielding an adequate pipeline. During the experimental PDF1 period, it had been found that the reimbursement process created a lot of difficulties. Resident representatives had not wanted to use the PDF while PA was available, despite the fact that the latter process was more lengthy. Resident representatives and Governments now welcomed the PDF, but were eager for more resources, so as to build up the pipeline. Experience had shown that the scarcity of resources helped to focus on the actual needs of the programme. The initial objectives of the PDF and those subsequently added had been mutually supportive. It was for that reason that the Administrator had proposed increasing the amount allocated for the fifth cycle.

113. The PRESIDENT said that, if there was no objection, he would take it that the Council wished to take note of document DP/1990/35 on Project Development Facility, it being understood that the financial earmarking for the facility would be part of the decision on the fifth programming cycle.

114. It was so decided.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERING COUNCIL AT ITS PREVIOUS SESSIONS (continued)

(viii) WOMEN IN DEVELOPMENT (DP/1990/26)

115. Ms. REID (Programme Director, Division for Women in Development), introducing the report of the Administrator (DP/1990/26), said that the goal of the Divison for Women in Development was to create an organization within which equity prevailed in personnel matters, in which attitudes did not

demean, discourage or disadvantage women, through which women's skills and knowledge were used and built upon, and through whose operations the benefits of development flowed to women and girls.

116. The Division's work was not with women per se or with projects for women alone. Its concern was that both men and women, and the social, psychological, cultural and economic relations between them, should form the basis of development assistance. That was a gender perspective rather than a focus on women alone. The Division's constituency was the staff of UNDP and, through them, those they worked with, namely, government and executing agency staff. Its aim was to increase their professional competence in that area and thereby to improve the efficiency, the gender-sensitivity and the beneficial impact of all UNDP's work.

117. There were many examples of work currently being undertaken by the staff of the Division. Women's contribution to agricultural production and to the informal and business sectors in Africa had started to be recognized in project formulation, monitoring and evaluation. A question which arose in that connection concerned the future of the agricultural sector in Africa and how women would be contributing to it. The Division had raised that question with the Regional Bureau for Africa within the framework of UNPAAERD. Refugee populations, particularly in Cambodia, were composed predominantly of women and children. What were the implications of that fact for the reconstruction and development of Cambodia? In that connection, a staff member of the Division had been part of an inter-agency mission to Cambodia. UNDP and UNDRO were preparing disaster manuals and training materials. Those, however, must be sensitive to the fact that women as well as men were survivors of disasters, were field care workers and rebuilders of their lives. The Division was working with the responsible Headquarters unit to ensure that account was taken of that fact. The Division had also assisted in the preparation of the Human Development Report 1990 and it was important to ensure that gender-sensitivity infused all ensuing activities and policy dialogues with national governments.

118. Not all the gender-sensitive work of UNDP was initiated or implemented by the Division. There were many examples to the contrary, such as the work on the Social Dimensions of Adjustment project where UNDP staff had brought their own individual gender-competence to all aspects of their work.

119. Such examples to a certain extent distorted understanding of the Division's work, most of which was mundane, such as: appraising documents, identifying consultants, advocacy of the issues, identifying candidates for recruitment and liaison with other agencies. The Division was there to help everyone else do their work better but not to do it for them. The need currently was for the resources to be able to do that in a more systematic way.

120. Ms. LORENZO (United Nations Industrial Development Organization) said that UNIDO would have welcomed receiving the questionnaire referred to in paragraph 2 of the report. In industry, for example, women were often confronted by attitudinal and structural forces that influenced their opportunities. That not only limited the scope of their contribution to the industrialization process but also deprived their countries of the productive utilization of a significant proportion of the human resources that were needed at a time of rapid change and structural adjustment pressures.

121. Developing the managerial and entrepreneurial capabilities of women and putting them to optimum use was a problem in a large number of developing countries. That was evident from the low demand for women at levels of responsibilty which were commensurate with their capabilities and potential. Planning policies needed to be oriented towards changing organizational structures. Changes also needed to be made in the design and development of programmes and projects. The training of men and women on issues relating to the integration of women in the development process should help to bring about a major shift in the perception of the contributions which women could make in the formal and informal sectors.

122. Investment to generate the required skills in sufficient numbers needed to be regarded as a strategic issue and one which called for national policies of industrialization to be closely linked to a workforce composed of men and women.

123. UNIDO had initiated in-house training on gender-sensitive projects designed to develop the ability of its staff to address in a systematic manner issues which related to women, particularly in such areas as industrial planning, human resource development, agro-industries, small-scale industries and the development of appropriate technologies. It stood ready to co-operate with the UNDP strategy in gender-sensitive programme and project planning as those factors already formed part of its own strategy for women in industry.

124. In conclusion, UNIDO believed that the integration of women should be viewed as a dynamic process which should involve those vested with authority over planning at the political level as well as those responsible for project execution in public and private enterprise.

125. Mrs. AMARASEKERA (Sri Lanka) said that her delegation endorsed the Administrator's view that UNDP fifth cycle country programmes must address gender issues at programme and project levels. Her delegation was happy to note that there was a growing awarenes of the importance of gender-sensitive plans and projects.

126. Her delegation urged UNDP to place greater emphasis on increasing its responsiveness to the needs of women in the country specific policy analyses for the fifth programming cycle and on identifying issues to be addressed through country IPFs during that cycle. A sharper focus was needed on the socio-economic factors obstructing the development of women; such factors varied from country to country and from group to group.

127. For some groups of women, the problem was lack of education and basic skills; for others it might be lack of credit facilities or marketing expertise or bargaining power. It might also be inequality of pay or lack of awareness of their own rights. Basic factors included the inadequacy of family income, lack of education in food and nutrition, health and sanitation and family planning. High incidence of disease in the family due to ignorance of basic health care and the importance of a balanced diet and too many children made life burdensome for women as housewives and mothers. They had to work longer hours and make more sacrifices, thus forgoing their share of the family income and the family meal and denying themselves basic needs.

128. To improve the quality of life of those women, their tasks as housewives and mothers must be made less burdensome. That could be done in many ways, such as, for instance, through improved knowledge on food and nutrition which would enable them to provide a more balanced diet for the family using available food items. Ignorance could often contribute to malnutrition. Through technology transfer, adaptation and development, the task of women could also be made easier. Easy access to water, better implements and improved techniques could make life easier.

129. To improve their income-generating capacity, women needed time, skills, credit and marketing know-how and leadership training. Their bargaining power could be increased if the leadership was there to organize and seek assistance from government institutions.

130. Intermediaries and employers exploited women engaged in coconut fibre production in the coconut belt of Sri Lanka as they were not sufficiently organized to dispense with intermediaries and lacked the knowledge and funds to secure legal assistance to fight for their rights as employees or to import implements and technology. Projects to provide credit facilities and develop entrepreneurship were extremely important in tapping the full potential of women in the development process. The UNDP programme could be used for the provision of the skills, seed money and assistance needed to establish creches and kindergartens to provide more time for women to develop their income-generating activities.

131. Her delegation recommended that UNDP should address those socio-economic problems through gender-specific projects and approaches in all UNDP projects. Greater resources must be allocated for such an approach and her delegation recommended that indicators should be developed to monitor and assess the gender responsiveness of the UNDP programmes.

132. Mr. NGOM (Observer for Senegal) said that women, particularly in Africa, continued to play a marginal role in the economic development process. Environmental constraints, economic and social factors as well as cultural attitudes contributed to their continued marginalization. It must be recognized, however, that women played a predominant economic and social role in production and education and their active participation in the development process was a necessary factor for change. In that connection, his delegation congratulated the Administrator on his forward-looking initiatives in that field in recent years.

133. In Senegal, for instance, UNDP, in co-operation with the Netherlands and UNIFEM, had furnished support to more than 600 self-managed women's groups as well as to many activities, inter alia, in education, family life, water supply in rural areas, the processing and marketing of food products, the financing of micro-projects and the integration of the women-factor in planning. Periodic consultations between his country and the financial backers and executing agency was also a valuable UNDP activity.

134. His delegation fully endorsed the recommendations contained in the report, particularly those relating to basic activities for the future; in particular the women in development factor must be taken into greater account. The proposals closely reflected the current concerns of the African countries on the issue of women in development and were fully consistent with

those identified in the Human Development Report 1990. They must also be taken fully into account in the preparations for the fifth programming cycle. The issue of women in development must be included in all aspects of future activities.

135. Ms. ARRNIO (Observer for Finland), speaking also on behalf of Denmark, Norway and Sweden, said that the four Nordic countries were firmly dedicated to the objectives of the United Nations Decade for Women both in their own countries and in other parts of the world, particularly as they concerned poor and vulnerable women in developing countries.

136. Women should be regarded not only as beneficiaries but also as contributors in the development process. The report (DP/1990/26) identified several important aspects to ensure better gender-awareness in UNDP. Still greater emphasis should, however, have been put on the elaboration of a larger number of practical proposals for field activities than were listed in the document.

137. There was still a long way to go before practical results could be seen in programme and project implementation. Paragraph 42 of the report stated rightly that all programme staff needed to be competent to treat women in development as a professional concern. Priority given to the recruitment of women in the Organization as well as the establishment of the Division on Women in Development did not in themselves lead to gender-awareness. The Nordic countries would like to see an identification of practical means whereby the goals already set could be reached. That was of even more urgent concern as UNDP was at a decisive phase in preparing for the fifth programme cycle.

138. National policies on women provided the framework for the inclusion of women in development considerations in UNDP's country programming. The report stated that a number of UNDP field offices provided "signficant assistance" to Governments through their women's bureaux and other units. The Nordic countries would welcome information on the thoroughness of that approach and whether needs had been identified on a broad scale or whether the assistance had been provided on an ad hoc basis.

139. The integration of women into mainstream activities on all levels was the overriding goal. The Nordic countries would like more information on UNDP's experience in that respect. They also considered that UNDP could intensify its co-operation with other United Nations organizations in that field, including UNIFEM, UNICEF and UNFPA.

140. The Nordic delegations had noticed that there had been no change in the number of women in the senior and decision-making levels and would accordingly encourage UNDP to intensify its efforts to improve the career development of women staff members. An increased number of women staff did not in itself improve the capacity for gender-sensitivity and programme approach. Both men and women staff members needed gender-specific training.

141. The Nordic delegations shared the view of UNDP that formal training and courses were needed and that the ultimate goal had to be the integration of women's issues in overall project and programme training at all levels.

142. The report stated that 600 persons had attended UNDP training courses on women in development since 1987. The Nordic delegations would like to know what that training entailed and what had been the outcome. They trusted that the comment concerning Junior Professional Officers contained in paragraph 27 of the report did not mean that they had been excluded from the training, but only from the statistics.

143. The Nordic delegations would like to see local expertise used to an increasing extent. In that connection it would be advisable to establish local data banks on women in development expertise available in countries or regions. Such an exercise would be most effective if other United Nations agencies joined for the mutual benefit of all.

144. Turning to the mandate and resources of the Division on Women in Development, the Nordic delegations considered that it was obvious that, if the Division was not given sufficient resources, there would be a danger that the whole issue would be marginalized in UNDP. They had noted from paragraph 27 of the report that a staff member on a full-time basis was being assigned to the Division for most of 1990. They hoped that that did not mean any decrease in staff resources towards the end of the decade. There was still much work to be done by a full-time training officer. In addition to training, the Nordic delegations expected the Division to make an effective contribution to the concept of women in development.

145. Mr. IVERSEN (Germany, Federal Republic of) said that efforts in the area of women in development were currently concentrated on creating institutional conditions at all levels, on developing new instruments or on adapting existing instruments to the requirements of women in development. His delegation was particularly interested in such areas as co-operation with ministries for planning and the analysis of national planning documents on problem areas and initiatives related to women, as in the case of Bangladesh. The intended continuation of that type of activity in other countries could serve as an important focal point in raising the level of consciousness in those countries. Moreover it could demonstrate how the promotion of women in development could be implemented in bilateral as well as in multilateral co-operation programmes and projects. Such efforts should be increased; the question also arose as to how UNDP's experience in that field could be of use for other donors.

146. Country programmes which took account of gender-specific aspects, such as the effects of macro-economic factors among women, provided the basis for activities which could be of real assistance to women. The assistance to Governments mentioned in paragraph 15 of the report was equally important for monitoring the flow of development assistance and determining its beneficiaries under gender-specific aspects. There should be close co-operation with UNIFEM in any continuation of such analytical work.

147. His delegation was greatly interested in the comments made in the report regarding the career development of women staff and for project staff in general. The policies and practices described in paragraph 22 could serve as a model, particularly where they sought solutions for the problems of accompanying partners. Another important factor was the question of how to employ competent and highly qualified women in appropriate positions in their own countries.

148. His delegation welcomed the fact that UNDP had implemented its mandate on women in development through policy directives and was striving to include gender concerns in areas like the environment, poverty, the HIV epidemic and matters related to refugees and displaced persons.

149. In conclusion, his delegation considered that, in future, women in development training should be given a higher priority at the country level as well as for UNDP staff. It also wished to propose that specific programmes for poverty alleviation and investment in people, with particular emphasis on women in development, should be included in the Special Programme Resources for the fifth cycle.

150. Mr. MALMIERCA (Cuba) said that his Government attached high priority to the full integration of women in the economic and social development process and appreciated the work of UNDP in that connection. He urged the Administrator to continue his efforts to attain that objective. The role of women should be taken fully into account in all projects and close co-operation should be maintained with UNIFEM and UNICEF.

151. His delegation had taken note of the increase in the number of women recruited by UNDP but believed that more must be done to increase the percentage of women in posts at the decision-making levels.

152. Mr. SALEEM (Pakistan) said that his delegation hoped that UNDP would generate greater awareness worldwide of the importance of women in development. The participation of women in identifying, formulating and implementing projects would make a positive contribution not only to their own well-being but also to national development.

153. In that connection, he would like to mention that no substantial assistance had so far been provided by UNDP for women in development in Pakistan. The only scheme so far approved for funding by UNDP was that relating to "Monitoring and Evaluation of Women's Development Programmes". His delegation would therefore welcome new projects pertaining to the specific issue of women in development in Pakistan.

154. In Pakistan, the old concept that a woman's sphere of activities was confined to her home had undergone revolutionary changes since independence in 1947. The mass communication media had made a substantial contribution to bringing about those changes and continued to exercise a great influence on the formation of a progressive outlook regarding the role of women in society. Pakistan supported all efforts to eliminate discrimination against women and, in that regard, abided by the relevant instruments adopted by the General Assembly, the Economic and Social Council and the Commission on the Status of Women.

155. The current elected Government of Pakistan was greatly concerned with the well-being of women and of deprived segments of society. It had accordingly elevated the status of the Women's Division to a full-fledged Ministry in 1989. It had also decided to reserve 5 per cent of all vacancies in posts in Federal Government offices to be filled by the direct recruitment of women. That quota was in addition to their eligibility to compete equally in

the employment sector. The Government had also established a Women's Development Bank which would meet the credit needs of women and was expected to help in improving the economic conditions of women and in increasing their self-confidence.

156. The Government of Pakistan was determined to provide women with their legitimate rights and was fully aware of the difficulties they faced. Every effort was accordingly being made by the Government to provide legal remedies and assistance in connection with discriminatory laws and to identify and implement projects for providing special facilities for women.

The meeting rose at 1 p.m.

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GOVERNING COUNCIL

Thirty-seventh session

SUMMARY RECORD OF THE FIRST PART* OF THE 36th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 15 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

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* The summary record of the second part of the meeting appears as document DP/1990/SR.36/Add.1.

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The meeting was called to order at 3 p.m.

PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued):

(viii) WOMEN IN DEVELOPMENT (continued) (DP/1990/26)

1. Mrs. MARCOS DE DIVECO (Observer for Argentina) said that, in Argentina and the other countries of Latin America and the Caribbean, women had suffered more from the economic downturn, while the recovery had resulted only in a relatively slow improvement in their condition. In the circumstances, her Government intended to make radical changes in the role of women in development, as both participants and beneficiaries, and to concentrate in particular on eliminating the factors contributing to the deterioration in their condition. More concretely, it hoped to pay special attention to gender-specific problems in the fifth programming cycle and the programme approach, and trusted that UNDP and the donor countries would take note of its wishes. It had already prepared several measures which it would translate into projects for women with the aid of UNIFEM.

2. She noted with satisfaction that the proportion of women in UNDP's basic staff was growing, and hoped that similar progress would be made in the categories of consultants, volunteers and project staff. She also welcomed the activities of the Division for Women in Development in training field office staff and UNDP staff-members generally and making them aware of issues affecting women.

3. Mr. OLOKILIKOKO (Observer for the Congo), underlining the important contribution that women could and should make to development, said that his Government had adopted a plan of economic and social action for 1990, whereby it would endeavour to mobilize all the country's productive forces, including women, in the interests of development. It had also, in collaboration with UNDP, set up a project aimed specifically at supporting the integration of Congolese women into the development process.

4. With regard to the design of country programmes within the framework of the fifth programming cycle and the need to devote increasing attention to women-specific problems in the analysis of the national needs and resources the programmes entailed, he pointed out that the Congo had to define a comprehensive strategy for the economic and social integration of women. Such a strategy would aim at demystifying the economic role of women, freeing them from household tasks and making them more than just cogs in the wheels of the consumer society. At the social level, it should try to overcome the age-old mental attitudes which hampered women's development in the towns, and, still more so, in the rural areas.

5. Mr. MACDONALD (Australia), speaking on behalf of the delegations of New Zealand and Australia, said he noted that UNDP had made progress in integrating gender issues into project formulation and implementation and into its own personnel policies. Action was still needed on several fronts, however, to protect the achievements made and to promote the

women-in-development (WID) cause. The delegations he was representing saw merit in the proposal to establish a system whereby UNDP would monitor the situation comprehensively and report periodically to the Council on the implementation of all WID-related decisions.

6. UNDP should provide more support to the field offices by supplying WID expertise and gender training. It was important to raise staff consciousness both at headquarters and in the field, so that WID issues did not stand apart from other programme and project activities, particularly in relation to the environment, poverty and the AIDS epidemic. He hoped that the Administrator would report to the Governing Council on measures taken to that end.

7. To make it possible for the Council's WID guidelines to be applied, more resources should be allocated to WID activities. It would be advisable to have funds earmarked for that purpose under the Special Programme Resources (SPR) category. Such funding would provide greater predictability and highlight the importance of the issue.

8. The delegations he was representing hoped that the Administrator could provide an update on the implementation by UNDP of General Assembly resolution 42/62, which called for the establishment of five-year targets at each level for the percentage of women in professional and decision-making positions within all United Nations agencies and bodies.

9. Mr. CHAUDOUET (France) said it was most significant that the repercussions of projects obviously differed according to whether they related to women or to men and that structural adjustment policies affected women more than men, particularly in the case of single-parent families. However, Governments and aid institutions had become more aware of the problem of integrating women into development.

10. That being so, it would be useful if gender-specific statistics were available so that the impact of projects on people could be measured. Moreover, it was essential that the training of UNDP staff-members should enable them to understand the problem of women in development, and accustom them to examine projects at every stage in the light of the situations and respective needs of both men and women, as participants and beneficiaries alike, so that women could be systematically integrated into projects rather than merely given special consideration. It would therefore be useful to establish guidelines in conjuction with other institutions. The suggested recommendations to planning ministries might well be productive.

11. In view of the difficulties encountered in ensuring that the women-in-development issue became an operational factor at every level of the organization and at every stage of projects, his delegation supported the proposal that the staff of the Division for Women in Development should be increased and that it should be allocated greater resources.

12. Mr. MACARTHUR (United States of America) said that his delegation strongly supported UNDP's women-in-development policy, goals and implementation strategy. It agreed with the Administrator that the systematic analysis of national development requirements and resources entailed by the country programme would need to be increasingly gender-sensitive and

considered that much more would need to be done if gender issues were to be adequately addressed in the fifth cycle programmes. While his delegation recognized the need for women-specific projects in the short term, it urged UNDP to increase its efforts to ensure that women participated in, contributed to and benefited from all development assistance.

13. While the number of women at professional levels within UNDP had increased, women were still seriously under-represented in senior managerial positions and in the resident representative ranks, as well as among consultants, volunteers and project staff. There were encouraging signs in the gender-sensitive staff training activities, including the plan to identify local training resources and help the authorities to develop their capacity to provide operationally based training courses. Noting the Administrator's opinion that the requirements relating to WID training had to be balanced against the many other demands on UNDP's scarce training resources, he pointed out that when resources were limited they should be used wisely and that the development of women, who represented half the world population, was surely a top priority. His delegation commended the Administrator on his intention to review all UNDP manuals and procedural documentation to ensure that gender issues were integrated into each subject covered. It was also pleased to note UNDP's current and planned activities to supply WID technical expertise for programme and project development and to foster inter-agency co-ordination and collaboration.

14. It was 15 years since the first Governing Council decision on women in development had been adopted, and his delegation was concerned that more progress had not been made and that so many of the implementation measures described in the report still lay in the future. It was to be hoped that progress could be accelerated.

15. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that his Government had prepared various plans and strategies to integrate women into development and that they were participating effectively in all areas of economic and social life; women already represented over 60 per cent of the workforce in many areas of activity. His Government, which was convinced that women could play an effective role and that they constituted an indicator of social maturity and progress, hoped to be able to allocate greater resources for activities to their benefit.

16. Miss DOHERTY (United Kingdom) said her delegation welcomed the Administrator's report, which showed encouraging progress being made in some areas. Noting that some field offices had helped national WID units to develop plans for women, she believed it essential that women's issues were not marginalized. She noted the Administrator's opinion on the need for a special effort to see that gender issues were adequately addressed during preparations for the fifth programming cycle.

17. The Administrator had rightly emphasized the importance of training both for project personnel and for women from the developing countries. However, paragraph 27 of the report implied that the staff-member responsible solely for WID training was not to continue throughout 1990 on a full-time basis, which was disquieting. The low proportion of UNDP professional staff who had attended training courses in 1988 and 1989 indicated that a full-time post needed to continue in the immediate future. To show commitment to its policy

on women's issues, UNDP should continue to give them a high priority alongside other requirements. It was also important that all staff received training in gender awareness and that the issue should be integrated into all training courses. Her delegation would like to be informed about the outcome of the regional workshop mentioned in paragraph 28, which it saw as a test case in integrating WID issues. It welcomed the Administrator's intention to see that gender issues were included appropriately in each section of manuals or documents, which might also be done in the wider context of applying the recommendations of the Human Development Report, 1990. Several members of the Governing Council had described the positive action that had been taken in their own countries to strengthen the contributions of women to development. Progress had been achieved in some areas, but it had yet to reach out to the vast majority of women, who were always left on the sidelines.

18. Mr. RADE (Netherlands) said that the Division for Women in Development should be fully involved in the fifth programming cycle and at every stage of the country programmes, since the latter would need to be increasingly gender-sensitive. He wished to know what progress UNDP had made in establishing the procedures requested by General Assembly resolution 44/171 to collect and report gender disaggregated data concerning project personnel, including consultants, and beneficiaries. As for the recruitment of women to senior staff posts, the Administrator had given some indications on the current situation, but had quoted no figures to show the progress accomplished in recent years. His delgation did not fully share the opinion that single staff of both genders had special problems in fulfilling their representational duties in developing countries. In the Netherlands diplomatic service, it was believed that single staff-members were just as able to perform their duties as married ones. Noting that the recruitment figures for women as consultants, volunteers and project staff remained low and that ways should be found to encourage more women applicants in those categories, he asked what precise ideas the UNDP had for achieving that end.

19. He fully endorsed the opinion that the WID issue was not a special consideration in the context of projects but an integral dimension of development, and he shared the views expressed on the subject by the representatives of the United States and the United Kingdom. He welcomed the Administrator's intention to review all manuals to reflect that view.

20. His delegation noted with concern the shortage of staff in the Division for Women in Development. Supporting the remarks made by the representatives of France and Finland in that regard, he hoped that the Division would be given the resources to carry out its work.

21. Mr. SOUTTER (Canada) said he congratulated UNDP on taking some positive and important steps towards gender equality despite the major difficulties it had to face in that respect, as indeed occurred in most bureaucracies. The results were not very satisfactory, however, as indicated in the figures given in paragraphs 18 and 23 of the report (DP/1990/26). It was unclear what the real barriers to the advancement of women were. If, as had been stated, it was a question of attitudes, it had to be established whose attitudes they were and why the persons concerned adopted them. The problem should be addressed at the headquarters level because it could only be exacerbated in the field. Another question that arose was what needed to be done to overcome the institutional barriers. It was his own conviction that hiring more women would not in itself resolve either problem.

22. It was undoubtedly a good idea that multilateral and bilateral agencies should exchange views and experience. The WID Directorate at the Canadian International Development Agency was currently undergoing an evaluation and would be happy to share the results with UNDP and is Division for Women in Development. The gender-sensitive applicant data base, which included a WID sensitivity variable for all applicants, that was currently being tested by UNDP, could be useful for national hiring procedures.

23. The Division for Women in Development, with its small but dedicated staff, had accomplished much. Given the size of the work still to be done, however, his delegation earnestly hoped that the Division would be granted more resources.

24. Mr. HAMADZIRIPI (Zimbabwe) said his delegation welcomed UNDP's efforts to take account of gender responsiveness in its operational activities. His country's planning authorities had asked UNIFEM to analyse their draft of the next five-year plan to ensure that gender issues were integrated into it.

25. He agreed with the delegation of Finland that UNDP should endeavour to translate the objectives that had been set into action and into specific operations. Gender-specific training should thus be conducted for both men and women at every level. Together with the delegations of Uganda and Zambia, his own delegation suggested that UNDP and its Division for Women in Development should do more to co-ordinate the assistance provided by the various United Nations agencies, bilateral donors, non-governmental organizations and others for various activities at the grass-roots level and to enhance women's access to credit, education and safe motherhood.

26. Mrs. ZACHOROWSKA (Poland) said she noted with satisfaction UNDP's efforts to ensure the advancement of women at every administrative level and the measures adopted by the Division for Women in Development, UNIFEM and other bodies to enable women to participate more actively in the entire development process. Any radical change in a country's economic situation, as well as structural reorganization and debt relief programmes, undoubtedly affected women first, so UNDP operations should always take account of that fact. As for possible specific measures to recruit more women experts for project support, she approved the idea put forward by the delegation of Finland to set up a data bank of the female potential in the countries and regions.

27. Dr. THAPA (World Health Organization) said that she endorsed the strategies proposed by the Administrator for the closer integration of women into the development process. Those strategies fully complemented WHO's integrated strategy. Since women were the primary health source and since improvement of the health of women and of the whole population was achieved through social development, WHO was trying to help countries to take women's points of view and specific needs into consideration when preparing health programmes and to involve women in their implementation, particularly at the operational level in running, for instance, district health systems. The Governing Council might be interested to hear that WHO had decided to take Women, Health and Development (WHD) as the topic for technical discussion at the World Health Assembly in 1992 and would like to co-operate with the various agencies of the United Nations system in promoting WHD.

28. Mrs. SHALABY (Observer for Egypt) said that UNDP had made an important contribution to integrating women in development, as evidenced by the projects carried out by the programme and the growing participation of women in rural areas in implementing country programmes. Arab women had a special role in the family and society, but also in the productive structures. Special attention should therefore be paid to the obstacles hampering their participation in development. In that context, her delegation would like to see greater co-operation between UNDP, the various agencies of the United Nations system, non-governmental organizations and Governments. It hoped that the field offices would be given greater support, particularly financial, to help promote the women-in-development process.

29. Ms. REID (Programme Director, Division for Women in Development), summing up the debate and the issues raised, said that she largely agreed with the members of the Council who wondered why the WID process had not moved forward as fast as it should have done in the last 15 years. In many respects the situation had not changed at all. She was unable to say whether that was due entirely to the nature of the problem, which could develop only slowly, or whether the ways and means used had been inadequate and needed to be reconsidered.

30. Some members of the Council had asked UNDP to show concrete evidence of its WID strategy. At headquarters, UNDP worked mainly through training. In fact there had been a significant decrease in training during the first half of 1990, but there should be a further improvement in the second half. In the field, the work was more difficult: UNDP had to find experts and consultants for recruitment and then make them known. UNDP also had to try to recruit as many local experts as possible.

31. Members of the Council were concerned about how UNDP was going to approach the issue in the run-up to the fifth programming cycle and the country programmes. The task there was truly monumental, because no national programmers in the countries had so far been trained to take WID into account. Unless considerable progress was made over the next two years, there was a risk that the countries would once again have programmes for the fifth cycle which did not meet women's needs. At UNDP headquarters, hearts and minds were already convinced, but that conviction had yet to materialize in programming. The lack of perceived confidence in the field meant that headquarters had to give specific support.

32. To measure the impact of its activities, UNDP's only solution was to follow the instructions of the General Assembly (resolution 44/171) and carry out a systematic gender disaggregation of data. The same should be done with the data collected for NATCAP purposes.

33. In reply to the delegation of Pakistan, which wished to see more women-specific programmes in that country, she said that the Resident Representative in Pakistan was cucrrently re-examining all UNDP projects to ensure that they included a female component. The Government of Pakistan had also asked the UNV programme to establish a nucleus of volunteers specially trained in WID activities and a mission had been sent to Pakistan in May 1990 in response to that request. She wished to assure the Council that the co-ordination of co-operation of that kind had improved. Application lists and files were being exchanged with bilateral aid agencies and overlapping of activities had become much rarer.

34. There had been genuine progress since 1986 in recruiting professional women for UNDP, including the highest administrative positions, but there were still some deficiencies, particularly because it was not enough to recruit female staff-members; it was also important to retain them and it was difficult to moderate the mobility requirement in their favour. There was also the question, raised by the delegation of the Netherlands, of representational functions, which had always been tacitly assigned to the administrators' wives. UNDP headquarters had not yet learnt to practise total neutrality with respect to its professional staff-members and to assign them tasks involving no gender-related considerations.

35. The PRESIDENT suggested that the Council might wish to ask the Drafting Group to prepare a draft decision on the subject of women in development.

36. It was so decided.

(vi) MANAGEMENT DEVELOPMENT PROGRAMME (DP/1990/23)

37. Mr. PALMLUND (Co-ordinator, Management Development Programme), introducing the report of the Administrator on the Management Development Programme (MDP) (DP/1990/23), said that the Programme had been created in 1988 to strengthen UNDP's capacity to assist Governments which needed to reorganize or strengthen their institutions for the implementation of essential political and economic restructuring during the 1990s. MDP had already developed plans and projects in Mongolia, Guyana, Uganda, Tunisia, Jordan, Honduras, Madagascar, Angola and some Eastern European countries to streamline administrative services, management training, research and consultancy so as to enable those countries to implement more effectively their structural adjustment programmes and other measures such as debt renegotiation and revenue collection. MDP's role was limited to helping Governments build the management capacity necessary for their reforms and it refrained from offering any ideological or political advice. Paragraph 6 of the report contained a list of the fields and issues currently dominating the work of MDP. With experience, the thrust of the Programme could be diversified, following the conclusions of a workshop held in February 1990 on the basis of a first evaluation of the Programme.

38. The number of requests for MDP assistance was currently 75, reconnaissance and/or programming missions had been undertaken to 51 countries, and 21 programmes had been approved, to which the MDP contribution was $21 million. Its success had been such that in many cases the MDP contribution would be lower than the $1 million per country provided for in the guidelines. Middle-income countries would have only very small amounts for follow-up activities. In some cases, funds would have to come from the IPF during the current or the next cycle, from other donors or from the Government itself.

39. The guidelines for the Programme provided that MDP funds could be used as seed money. That had been done very successfully in Guyana. It was to be hoped that donor Governments would respond as positively to other MDP requests for support. The Programme as a whole could be seen as a seed, which should be backed up more solidly by a fund-in-trust.

40. General Assembly resolution 44/211 recommended a programme approach in development co-operation. MDP was already practising such an approach in the field of capacity enhancement in the public sector.

41. Mr. DEMONGEOT (United States of America) said his delegation was pleased to note that the Management Development Programme had aroused much interest. It urged close co-ordination with other donors, both multilateral and bilateral, such as USAID, at all stages of the implementation of the Programme's activities. UNDP had been right to subject MDP activities to the same quality criteria as other UNDP activities and to accord due importance to programme monitoring, including strengthened tripartite reviews for MDP projects.

42. The Administrator had recommended "a clear strategy for priority interventions, based on a comprehensive overview". His delegation agreed with that approach, because building up national management capacities in the key areas of policy analysis and formulation, resource management, civil service reform and the management of development programmes could not but be beneficial in the long run to the implementation of Governments' development projects.

43. Mr. SOUTTER (Canada) said he noted the very positive results of MDP implementation. However, up to 1 February 1990, only 19 per cent of funds allocated to Africa had been committed, as against up to 61 per cent in other regions. It was important that UNDP, and particularly its resident representatives, should ensure that African Governments were aware of the Programme and its benefits. On project execution, over half were being implementated by the Office for Project Services. His delegation felt sure that the private sector, universities, specialized institutions, both national and international, and TCDC could also be used. If UNDP could make management needs assessment reports available to donors, it would also be most helpful in attracting bilateral funds to follow-on activities at the country level.

44. On the subject of funding for the fifth programming cycle, his delegation would welcome quantified estimates of what might be required. It feared that the $30 million proposed under the SPRs would be insufficient. It also wondered whether IPF funding would be able to maintain the Programme's momentum. While it would certainly encourage UNDP to continue to promote bilateral involvement in specific projects, it was strenuously opposed to the establishment of yet another trust fund, whose ultimate impact might be to UNDP's detriment in drawing funds from core contributions.

45. Mr. CRUSE (France) said that his delegation, too, considered that MDP was doing useful work and encouraging Government execution of projects, as the Council had hoped. It was therefore paradoxical that the Administrator should envisage bringing the initial $60 million budget for the Programme down to $30 million for the fifth programming cycle.

46. A restricted seminar held recently in Paris, attended by representatives of MDP, on the subject of administrative, budgetary and financial management in developing countries, had led his delegation to the conclusion that the question should be given priority in the 1990s. It felt that UNDP should develop and refine its ongoing project evaluations and refocus its

interventions on the three essential themes of the civil service, the financial services and decentralization. It hoped that a UNDP unit could be set up to consider those topics and thought that UNDP should issue guidelines on such questions, particularly for the use of outside consultants. It also thought that UNDP should call upon various institutions such as ILO to execute management development programmes. His Government would continue to collaborate with MDP, particularly in the African countries.

47. Mr. MALMIERCA (Cuba) said he, too, thought that MDP, after barely two years in existence, had shown extremely positive results. His delegation attached great importance to the Programme and urged UNDP to apply flexible criteria to that type of aid in practice. His Government hoped to be able to participate in the funding of MDP.

48. Mr. SØRENSEN (Denmark), speaking on behalf of the four Nordic countries: Finland, Norway, Sweden and Denmark, said that capacity building should aim at increasing the long-term self-reliance of the recipients. MDP could play an important role in that regard, particularly in the low-income countries. Unfortunately that priority had not been reflected in the disbursement of funds during the first 18 months of MDP. The Administrator should endeavour to establish more projects in the poorest countries.

49. MDP aid was intended to serve as seed money and to encourage bilateral donors to support follow-up programmes. So far, that had been achieved in only one country. The Administrator should encourage more Governments to allocate their IPF funds to MDP developed programmes, as some had already done. To strengthen the management capacities of low-income countries, it was also important to utilize and strengthen the national human resource base, particularly through involvement of national experts in connection with MDP studies and missions.

50. The Nordic countries would like to see MDP strengthened during the fifth cycle. They hoped that, by 1991, activity levels would have increased enough to form the basis for a thorough discussion at the next session of the Council.

51. Mrs. MARCOS DE DIVECO (Observer for Argentina) said that strengthening management capacity was a top priority for her country, which was attempting to improve, to the widest extent, the State's efficiency in carrying out its functions. Economic and social difficulties had led Argentina to reform its public sector and to pursue a privatization and economic deregulation policy. The private sector would thus take over in all the areas in which it was most efficient. The State's particular role was to guarantee competitive conditions in the private sector and develop social policies giving opportunities for real progress to the most deprived sections of the population.

52. Her Government therefore attached particular importance to MDP and was anxious that it should be maintained and strengthened during the fifth programming cycle. The growing needs and the Programme's success over its first two years of existence militated against a steep reduction in its funding, such as the Administrator was proposing. Her Government hoped to be able to continue to benefit from the Programme in its existing form.

53. Mr. GOPINATHAN (India) recalled that his delegation had always urged that MDP activities should be funded, in the developing countries which so desired, from the IPFs, since that would make for more functional integration of a country's management development activities with the country's goals and priorities. He gave the example of India, where several projects aimed at improving public administration and management had been implemented under its country programme.

54. The members of the Council should beware of duplication when they came to decide the question of thematic funds. If a thematic fund were established for economic policy management, the Council should carefully consider whether MDP should continue to function in its existing form or whether it would not be more advisable to merge the two activities into one, since they were interchangeable. His delegation still preferred, however, MDP funding from IPF funds.

55. Mrs. ZACHOROWSKA (Poland) said her delegation recognized with satisfaction that, in a relatively short period of time, MDP had already responded efficiently to the requests submitted by recipient countries in the form of missions and specific projects. In fact, the Programme had offered countries a wide range of specialized expertise and it was to be hoped that it would continue to do so. Her delegation felt that the successful operation of the Programme was due to the innovative and energetic approach of its Co-ordinator. It was encouraging that the Programme had take the initiative to assist Governments undertaking major administrative reforms, where the management issue appeared to be a critical one.

56. Poland was among those countries that had received MDP assistance in the form of a reconnaissance mission by high-level experts, who had formulated a policy relating to mangement aspects and elaborated specific recommendations to be followed by her Government. In conclusion, her delegation wished to stress that, given the important and catalytic role played by MDP, the Programme should continue to receive support and attention.

57. Miss DOHERTY (United Kingdom) said that her delegation was in favour of the use of MDP to help low-income countries manage their public sector more efficiently. She noted that over 60 Governments had requested MDP assistance from UNDP and that two thirds of them had received reconnaissance or programming missions. It was disappointing, however, that the least developed countries, particularly in the African region, did not figure predominantly in the list in table 1 of the report (DP/1990/23).

58. Her delegation favoured IPF funding for MDP activities and hoped that those resources would be used more often when MDP activities coincided with Government priorities, as included in the country programmes. Such activities responded to two of UNDP's major objectives - to ensure the durability of the work carried out and to strengthen national capacity. Her delegation hoped, therefore, that they would be financed from core resources. It was not in favour of the proposal to establish a trust fund.

59. Mr. GABRIEL (World Bank) said, with reference to co-ordination between MDP and multilateral funding institutions, that from the beginning MDP staff-members had done their utmost to keep the relevant departments of the World Bank informed of their activities and to discuss country-specific operations with them. The collaboration had been very productive.

60. The need to improve managerial capacity in Africa was crucial, as had been noted in various recent World Bank studies. It should, however, be recognized that, in the African context, it was more important to take the right steps, after careful analysis, together with Governments, than to move forward with speed.

61. Mr. LUCAS (Guyana) said that MDP was an extremely important instrument through which developing countries could alleviate the inadequacy of their management capacities, particularly in the public sector. Measures should be taken to strengthen MDP, to make it accessible to all who needed it and then to provide it with adequate financial resources. He was thus concerned at the proposal to reduce the SPR resources allocated to MDP.

62. The Administrator had quoted Guyana as an example of the advantages that a country could derive from MDP seed capital. While his Government was grateful for the aid it had received, it stressed that such initiatives needed to receive appropriate follow-up if MDP was actually to attain its desired objectives. That required better co-ordination, particularly with bilateral donors and with other UNDP activities. However, his delegation hoped that the link between IPF and the use of MDP funds would maintain the necessary flexibility.

63. Mr. PALMLUND (Co-ordinator, Management Development Programme), replying to delegations' questions and observations, said he recognized tht MDP support to low-income countries, particularly in Africa, had lost momentum. The preparation of the African country programmes had taken longer than those of other countries. However, he assured delegations concerned about the delay that various decisions affecting the countries of sub-Saharan African were under consideration and would soon emerge in concrete form. As for the resources available to MDP, it was certainly to be hoped that they would be maintained at least at the current level. The problem for UNDP was the shortage of SPRs. MDP, however, was an important Programme, which should attract additional funds. Its aim should be to provide high-level know-how and to help programming, but not to provide funds except as seed capital, with its activities being basically funded by IPF resources or by bilateral or multilateral donors.

64. It had been emphasized that MDP should co-operate more closely with other United Nations institutions and that the Office for Project Services (OPS) was handling too many MDP projects. However, such projects often had many aspects which were handled by various other organizations under the umbrella of OPS.

65. The PRESIDENT said that, if he heard no objections, he would take it that the Council wished the Drafting Group to begin preparing a draft decision on agenda item 4 (b) (vi).

66. It was so decided.

PROGRAMME IMPLEMENTATION (continued)

(e) SPECIAL PROGRAMMES (continued)

(v) ASSISTANCE TO THE PALESTINIAN PEOPLE (DP/1990/84)

67. Mr. ROTHERMEL (Director, Programme of Assistance to the Palestinian people), introducing the report of the Administrator on assistance to the Palestinian people (DP/1990/84), said that in 1989, the Programme had made significant progress. In spite of well-known difficulties, the UNDP Office at Jerusalem had managed to expand its services to Palestinians in the occupied West Bank and Gaza Strip. Consultations with the Palestine Liberation Organization had been frank and frequent. He was particularly grateful to the Governments and United Nations organizations which had supplemented the $25.5 million in SPRs allocated to the Programme since 1980. The number of international organizations working with UNDP on the West Bank and in the Gaza Strip had also increased during 1989 and included UNCTAD, UNIDO and the International Trade Centre. The possibility of collaboration with the World Food Programme was also being explored.

68. The activities being carried out by UNDP in the area were increasingly directed towards industrial and agricultural projects with a view to increased productivity and income for the Palestinian people. A case in point was the Business Development Centre, which was providing advisory services and facilitating credit for Palestinian entrepreneurs. At the same time, the urgent basic humanitarian needs of the Palestinian people were not being overlooked by UNDP.

69. The needs of the Palestinian people and the difficulties created by occupation made the Programme especially important. There were a number of fully formulated projects which exceeded the availability of both SPRs and bilateral contributions. The Administrator therefore hoped that donors that had already contributed to the Programme would consider additional contributions and that those that had not yet done so would seriously consider the option.

70. Mr. ALAA (Observer for Palestine) said that the current session of the Council coincided with the tenth anniversary of the Programme of Assistance to the Palestinian people. He was grateful to all those who had helped the Palestinian people, either through UNDP or directly. He also thanked the Administrator for recommending the allocation of $12 million to the Programme for the fifth programming cycle (1992-1996), a sum that was not, however, any higher than that allocated for the fourth cycle. He hoped that it could be increased.

71. The Administrator had indicated that UNDP assistance to occupied Palestine had focused on all the social and health services for which, under international law, the Israeli occupation authorities were responsible. Those authorities had always blocked productive projects which would make it possible to create an economic base for Palestine that was independent of the Israeli market. His delegation agreed with the Administrator that the emphasis should be rather on job-creation and self-sufficiency, particularly in the industrial and agricultural sectors.

72. General Assembly resolution 39/223 of 18 December 1984 called for the establishment of port facilities in the occupied Gaza Strip, a cement production facility on the occupied West bank and a citrus processing plant in the occupied Gaza Strip. His delegation would welcome details on these vital projects. It hoped that UNDP would continue its efforts to secure their realization. The Gaza Strip was the only outlet to the sea for the occupied Palestinian territories and a port was urgently required. The occupation authorities were opposed to it because they wished to maintain control of the trade of the occupied Palestinian territories. The project would also create jobs for Palestinians, which the occupation authorities also opposed. UNDP had obtained the sanction of the Israeli authorities for the construction of a citrus processing plant in the Gaza Strip. The Italian Government was involved in supervising and financing the plant and had made a $5 million contribution. UNDP had not, however, taken the prompt action needed and his delegation could not understand its procrastination.

73. The International Trade Centre, in co-operation with UNDP and UNCTAD, had recently carried out a feasibility study for a trade and marketing promotion centre in the occupied territories. His delegation hoped that the obstacles to the implementation of that project would be overcome. It welcomed the opening of a UNDP Office at Jerusalem and hoped that it would soon be joined by a project assessment centre, as had been proposed.

74. For the 650,000 inhabitants of the Gaza Strip (360 km^2), the scarcity of water supplies and the salinity of the water were a very serious problem, which had caught the attention of the international community. The occupation authorities had exacerbated it by sinking very deep wells to provide drinking water for the Israeli settlements. A real catastrophe was threatening the Gaza Strip in the medium and the long term with regard to both drinking water and water for irrigation. His delegation hoped that UNDP would be able to find a remedy.

75. Genuine economic development under the Israeli colonial occupation régime was hardly possible in view of the fact that the occupation authorities continually harrassed the Palestinians in the hope of inducing them to leave so that settlements could be built for new immigrants. His delegation hoped that, at very least, some modest aims would be attained, such as new jobs in the agricultural and industrial sectors, the development of international trade and the building of hospitals and education infrastructures. The Palestinian people would continue to affirm its aspirations for a just and lasting peace in the region together with national sovereignty and independence. It had reaffirmed its goodwill through the initiative of the Palestine National Council (November 1988) and Mr. Arafat's speech to the General Assembly at Geneva (December 1988). Peace was the only key to genuine economic and social development in Palestine and the Middle East. The intifada which had been going on for over two and a half years, would continue until such aspirations had been satisfied.

76. Mr. IMADI (Syrian Arab Republic) said he had some comments to make on the Administrator's report. The report noted the slow-down in the rate of programme delivery, the delays in securing the necessary clearances for new projects, serious programming and implementation problems and changes and fluctuations in programme implementation, but without giving any reason for all those difficulties. Moreover, it did not give the planned implementation rates or actual implementation rates, so it was impossible to find out exactly what UNDP had accomplished.

77. His delegation stressed the importance of assistance to the Palestinian people, particularly at a time when the oppression by the Israeli authorities was increasing. Those authorities were trying to clear the occupied Arab territories of their Palestinian inhabitants in order to establish settlements for new immigrants. The obstacles which they put in the way of any assistance to the Palestinian people gave evidence of a policy to prevent that people from living in dignity. They had thus prohibited UNDP projects designed to meet essential needs (water supplies, electricity and drainage) while, a few metres away from Arab villages, such services were being supplied to Israeli settlements. Impossible living conditions had forced the Palestinian people into the intifada, which was currently in its third year. UNDP assistance to the Palestinian people was therefore vital and his delegation agreed with the Administrator that it should be increasingly focused on industrial and agricultural projects to provide openings for Palestinian entrepreneurs and significantly increase job opportunities, the more so since, as things stood, Arab citizens often had had no alternative but to seek work from Israeli employers, who provided only low pay and poor working conditions. He therefore asked the international community to intensify its moral and financial support so that the Palestinians could continue to live in dignity on their lands and so that those who had left could return.

78. Mr. RIFAAH (Observer for Egypt) said that the international community had a political, legal and moral responsibility to protect the Palestinian people and to take urgent action to make Israel stop its oppressive practices, pending the liberation of the occupied territories and the creation of a free and independent Palestinian State. UNDP had an essential and specific role to play in such assistance since, unlike the case in other countries or regions, it was destined for a people whose territory was occupied and who had no authority over it. UNDP should bear that in mind when planning its projects and take steps to protect the independence of the Palestinian economy, so as to enable the Arab people of Palestine to put up a better resistance to the occupation and remain on their lands.

79. His delegation approved of the priority given in the Programme to agriculture, industry and water supplies. It also emphasized the importance of projects intended to free the foreign trade of the occupied territories from Israeli oversight, and particularly the project for the port of Gaza. It was essential that the identification and planning of projects should form the subject of thorough consultation and close co-operation with the Palestinian State and that bilateral contributions for some projects should be encouraged, since it was an effective means of increasing the resources available.

80. Mr. EL GHAOUTH (Mauritania) said he welcomed the increase in the resources of the Programme of Assistance to the Palestinian people and the improved co-ordination between UNDP and the other organizations of the United Nations system, particularly UNRWA. His delegation recalled that UNDP was obliged regularly to consult the PLO on its activities in Palestine, in accordance with the relevant General Assembly resolution.

81. While his delegation quite understood that Israel's occupation of the territories placed UNDP in a difficult situation, it felt none the less that there was a certain lack of effectiveness in the implementation of the Programme. It had never been the subject of an evaluation, applications for clearances were presented late and the procrastination by the Israeli

authorities in granting clearances had not been properly reported to the Council. Indeed, project material, equipment and even project execution had been sabotaged by the military occupation authorities without the Council having been properly informed.

82. In view of the fact that the report was a very brief one and gave no details of the implementation of the Programme, his delegation would have liked the Director to inform the Council of the rate of implementation and on the measures required to enable the Programme to reach its goal. Lastly, he requested that the resources of the Programme should be increased for the fifth cycle by more than was recommended by the Administrator. His delegation considered that it was high time that an IPF was established for Palestine, since SPR funding of the Programme was no longer justified.

83. Mr. AZAIEZ (Observer for Tunisia) said that the Programme of Assistance to the Palestinian people, while modest in terms of the enormous needs of that people, victims of the last bastion of colonialism, was, as the Administrator had noted, one of the major sources of United Nations development aid to the Palestinian people in the occupied Palestinian territories. The furious attempts of the occupation forces to hold up by any means the implementation of the Programme proved its importance. His delegation was therefore pleased to note that the downturn in programme execution, which it had found deeply disquieting in 1987 and 1988, had been reversed in 1989. It hoped that funding during the fifth cycle would exceed the $12 million fixed for the fourth cycle.

84. Believing as it did that UNDP had an irreplaceable role in the development of Palestine, his delegation wished to express its satisfaction at the Programme's efforts to implement under difficult circumstances its projects for the benefit of the Palestinian people. It also welcomed the co-operative links that UNDP had estabished with the specialized agencies of the United Nations system. Lastly, it wished to stress that the Programme's contribution to the re-establishment of peace in Palestine through economic and social development deserved the support of all peace-loving nations.

85. Mr. MALMIERCA (Cuba) said he was pleased to note that the report showed that progress had been made in implementing the Programme of Assistance to the Palestinian people. It was important that UNDP should continue its activities in that regard, both in the field and at headquarters. His delegation supported the Administrator's recommendation that action on behalf of the Palestinian people in the occupied territories should continue and be funded from the SPR.

86. Mr. LIU Lianke (China) said that, in the 10 years since the Programme of Assistance to the Palestinian people had started, UNDP had made great efforts to ensure its implementation. He hoped that those efforts would continue. His delegation would like the resources allocated under the Programme to be increased during the fifth cycle.

87. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said he recognized the importance of UNDP's assistance to the Palestinian people, however slow and still inadequate it might be. His delegation was aware that there were many obstacles to the normal implementation of the Programme. It was concerned to note the decrease in the funds allocated and hoped that additional resources would be released. It would have liked the Administrator to have given

the Council detailed information on the nature and origin of the problems hindering normal implementation of the Programme and on the channels through which development assistance passed before reaching the Palestinian people. His delegation supported what had been said by the representative of Palestine.

88. Mr. LY (Observer for Senegal) said that his delegation strongly supported UNDP's programmes and activities, particularly its financial and technical assistance to the people of Palestine. It especially welcomed the co-operation between UNDP and UNRWA and noted with interest the Administrator's emphasis on strict respect for the consultation process specified by the relevant resolutions of the General Assembly and Economic and Social Council. It agreed with the importance attached to the provision of water, health, agriculture, education, training and industrialization.

89. He noted with satisfaction the improvement in the implementation rate of the Programme in the occupied Palestinian territories, as compared with 1987 and 1988, but thought that an attempt should be made to go still further. In his opinion, an additional allocation of resources for the fifth cycle was needed. He shared the views expressed in the report's conclusions that UNDP could be in a position to make valuable contributions to the peace process as well as the development process over the next few years.

90. Mr. ABU-OSHBA (Observer for Saudi Arabia) said he endorsed what had been said by the representative of Syria. His delegation thanked the countries which had contributed to the Programme and asked those which had not yet honoured their pledges to do so as soon as possible, in order to relieve the sufferings of the Palestinian people and to promote the development of the occupied territories.

91. His delegation was concerned at the methods used by the Israelis to slow down the implementation of the Programme by refusing the necessary clearances. It also deplored and condemned the inhuman measures adopted every day by the occupation authorities against the Palestinian people.

92. His delegation hoped that the Programme would be extended to all the territory's economic sectors and that UNDP would develop its relations with the other international agencies and institutions in order to give the Palestinian people every possible assistance. It also approved the thrust of the Programme in giving priority to project diversification.

93. Mr. KITAGAWA (Japan), having paid tribute to all those who were participating under difficult circumstances in the implementation of the Programme of Assistance to the Palestinian people, said he hoped that UNDP would continue to play a guiding role in co-ordinating the activities of the other United Nations bodies on behalf of the Palestinian people.

94. As its contribution to actions to promote the development of the socio-economic sectors on the West Bank and in the Gaza Strip, his Government had donated $1 million in 1988 and $2 million in 1989. Having noted that the funds had been effectively used to improve the lot of the Palestinian people, the Japanese Parliament had recently approved a similar sum for 1990. Lastly, he wished to point out to the Secretariat that a minor error had been made in the annex to document DP/1990/84 concerning the amount of Japan's contribution.

95. Mr. KHAN (Pakistan) said that the cause of the Palestinian people's problems was the continued occupation and the refusal to recognize its right to self-determination. The international community thus had the responsibility to help the Palestinians as long as they continued to be victims of brutal oppression by the Israeli forces. His delegation appreciated UNDP's efforts in that regard and wished to emphasize that the Programme needed to be fully implemented in order to be truly effective. The closest attention should be paid to the obstacles to its implementation.

96. Pakistan had always supported the Palestine people's cause and, in addition to very firm moral and political support, had provided economic and technical assistance as far as its limited means would allow, an assistance which would continue for as long as necessary.

97. Mr. MACARTHUR (United States of America) said his delegation supported the UNDP Programme as described in the report (DP/1990/84). He noted that the Administrator had mentioned the programme of United States bilateral assistance, to an amount of $1 million, for the installation of gas and a sewage system through USAID. He recalled that his country was the main contributor to the United Nations Relief and Works Agency for Palestine Refugees in the Near East and that President Bush had recently authorized an additional allocation of $7 million to UNRWA for the benefit of the Palestinian people.

98. Mr. HOSSEINI (Observer for the Islamic Republic of Iran) said that the continued repression of the Palestinians by the military occupation forces had had negative effects on the operation of UNDP projects in the occupied territories. His delegation paid tribute to UNDP for its work in extremely difficult conditions.

99. On the question of project programming, his delegation took the view that the health sector was extremely important and that greater attention should be paid to infrastructure projects. Self-sufficiency, as a corner-stone of development should also receive special attention. According to various reports from the United Nations and its specialized agencies, the general living conditions of the Palestinians continued to deteriorate. It was thus incumbent upon the international community to find a remedy for their sufferings and, in that regard, his delegation supported the activities of the Programme of Assistance to the Palestinian people. The only lasting solution was the withdrawal of the occupation forces and the establishment of an independent Palestinian State in the entire land of Palestine.

100. Mr. NAM (Observer for the Democratic People's Republic of Korea) said it was necessary to increase the assistance given to the Palestinian people and he supported the statement by the representative of Palestine.

101. Mr. ROTHERMEL (Director, Programme of Assistance to the Palestinian people) said that he had taken note of the remarks by several speakers on the Programme's orientation. Concerning the funding of the Programme, many speakers had mentioned the possibility of increasing during the fifth cycle the sum of $12 million allocated for the fourth cycle. The question of the SPR was currently under examination, but the Administrator's proposal on the subject was clearly set forth in paragraph 9 of the report (DP/1990/84). One delegation had brought up the problem of the resources available. The reply to its question was to be found in paragraph 8 of the report:

the remaining balance of the funding provided for the fourth cycle stood at $850,000 as of March 1990. A methodology for an evaluation of the Programme 10 years after its establishment was currently being explored. One delegation had also wanted to know how the available Programme resources were channelled to the beneficiaries. He could assure the members of the Council that the resources in question were transmitted directly by UNDP to the Palestinian people. More assistance would certainly be needed to help the Palestinian people in the occupied territories. That was why projects which were still awaiting funding were kept on the list.

102. Mr. IMADI (Syrian Arab Republic) said that his question had not been answered.

103. Mr. ROTHERMEL (Director, Programme of Assistance to the Palestinian people) informed the representative of the Syrian Arab Republic that he would find the answer to his question in paragraph 2 of the report (DP/1990/84).

104. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished to take note of document DP/1990/84.

105. It was so decided.

The summary record of the second part of the meeting appears as document DP/1990/SR.36/Add.1.

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SUMMARY RECORD OF THE SECOND PART */ OF THE 36th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 15 June 1990, at 6 p.m.

President: Mr. POPESCU (Romania)

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(ix) Environment

(xiv) The role of UNDP in combating HIV nd AIDS

*/ The summary record of the first part of the meeting appears as document DP/1990/SR.36.

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PROGRAMME IMPLEMENTATION (agenda item 4) (continued)

(b) IMPLEMENTATION OF DECISIONS ADOPTED BY THE GOVERNING COUNCIL AT ITS PREVIOUS SESSIONS (continued):

(ix) ENVIRONMENT (DP/1990/27)

1. The PRESIDENT said that an informal exchange of views had taken place at Geneva, on 29 May 1990, between the Bureau of the UNDP Governing Council and the President and two Vice-Presidents of the Governing Council of the United Nations Environment Programme (UNEP). Representatives of the secretariats of UNDP and the United Nations Fund for Population Activities (UNFPA) had also attended. The meeting had been arranged on the initiative of the UNEP Governing Council, which had already held similar meetings with officers of the governing bodies of the International Labour Organisation (ILO), the Food and Agriculture Organization of the United Nations (FAO) and the International Maritime Organization (IMO). Further meetings were planned with the United Nations Educational, Scientific and Cultural Organization (UNESCO), the World Meteorological Organization (WMO) and the World Food Council (WFC).

2. The exchange of views had covered matters of mutual interest, including the expanded co-operation between UNEP and UNDP endorsed in Council decision 89/23, the concept of sustainable development and the need for socially acceptable solutions, the preparations for the 1992 United Nations Conference on Environment and Development (UNCED), field-level co-operation between UNDP and UNEP, and the importance of environmental considerations in UNDP project planning and implementation.

3. Mr. GUCOVSKY (Deputy Assistant Administrator and Director, Technical Advisory Division) said that the report of the Administrator on the environmental dimensions of development: commitment and progress in 1989 (DP/1990/27) also outlined the perspectives for 1990/91 and beyond. It was submitted to the Council in response to its decision 89/28.

4. An integrated view of development and environment provided the framework for all UNDP technical co-operation. Many speakers during the high-level segment of the plenary and at the fortieth commemorative meeting had stressed the importance of that approach. The operational units of UNDP were pursuing with increased vigour environmental activities in support of people-centred development that was environmentally sound and sustainable. UNDP had continued to strengthen its field and headquarters management and its capacity to deal with the environmental dimensions of development, introducing inter alia its Environmental Management Guidelines (EMG) and the Sustainable Development Network (SDN).

5. The impact of such actions was already evident in the increase in the number of environmental projects approved in 1989 and in their technical sophistication and scope. The institutional and managerial commitment to a result- and action-oriented conference in Brazil in 1992 had already been described in statements to the Council by the Administrator and the Secretary-General of UNCED.

6. There had been five important recent developments. First, it had emerged from the recent consultation in Paris with the major donors and some beneficiary countries that the Global Environment Facility (GEF) was likely to

be established before the end of 1990. The GEF was to be set up as a core multilateral pilot fund that might approach $US 1 billion. In the period 1991-1993, it would provide finance to middle- and lower-income countries for investment, transfer of technology, technical assistance and institutional development.

7. It would concentrate on four problems of global concern: depletion of the ozone layer, global warming, loss of biodiversity, and pollution of international waters. Such finance would be in addition to the normal funding of projects and programmes, and there would be sufficient flexibility for co-financing with other programmes. The regional development banks and other United Nations agencies might also participate in the implementation of GEF-financed activities.

8. Sustainable management of tropical forests addressed two of the four GEF priorities - global warming and loss of biodiversity, as well as providing benefits for rural communities and local environments. UNDP was prepared to undertake several informal country identification missions to test the criteria and intellectual framework proposed for the GEF. The interest already shown by two major countries in pilot identification/formulation missions indicated the capacity of UNDP to meet the urgent needs of both individual countries and the international community.

9. The first module to be implemented by the Facility was likely to be assistance to developing countries in implementing the provision of the Montreal Protocol on Substances that Deplete the Ozone Layer concerning the phasing-out and replacement of chlorofluorocarbons (CFCs) and related ozone-depleting substances. The People's Republic of China had been assisted by a mission funded by UNDP and FINNIDA to prepare a programme of action for the next three years that would result in a 50 per cent reduction in China's projected consumption of ozone-depleting substances. If the Contracting Parties to the Montreal Protocol agreed at their June 1990 meeting that the GEF should serve as its agent and if the required $US 200,000 million was pledged, implementation of China's programme and others could begin.

10. The report entitled World Resources 1990-91: A Guide to the Global Environment which was a joint venture of the World Resources Institute (WRI), UNDP and UNEP, was intended for decision-makers and the public in both developing and developed countries. It would be made available to UNDP field offices and to government and non-government officials. In addition to introducing a new "Greenhouse Index", the report also surveyed resource use and management in Latin America, where economic problems and poverty must be alleviated to enable environmentally conscious Governments to respond to environmental concerns.

11. UNDP had also taken an active part in the recent Conference convened by the Centre for Our Common Future to assist NGOs to prepare for the first meeting of the Preparatory Committee for UNCED in August. Such action was part of the continuous UNDP effort to mobilize NGOs in support of UNCED; it was also supporting Governments in the preparation of their documents for the Conference.

12. In collaboration with the regional economic commissions and regional development banks, UNDP was also assisting Governments to prepare their development and environmental agenda and programmes for submission to UNCED.

Such action would also facilitate participation by the developing countries in the dialogue on the environmental aspects of development and climate change.

13. The Council's comments on the Administrator's report and its policy guidance would enable the Programme to enhance its capacity to respond to the urgent needs of Governments and intergovernmental organizations. Such needs related to national issues of environmental degradation and management of natural resources, in the context of the priority given to economic recovery and poverty alleviation and to the solution of global environmental problems.

14. Ms. LORENZO (United Nations Industrial Development Organization) said that the benefits of SDN and EMG were already becoming apparent. UNIDO, like UNDP was committed to a programmatic approach to environmental matters. At its sixth session, the Industrial Development Board had approved an environment programme, the primary objectives of which were to ensure the environmental sustainability of industrial development and to maximize the beneficial impact of industry on the quality of life by minimizing its adverse environmental effects.

15. UNIDO was trying to assist developing countries to implement the Montreal Protocol and intended to expand the programme of national assessment studies initiated by UNEP so as to highlight the current pattern of demand and supply for ozone-depleting substances in individual developing countries. It also intended to assist the developing countries with the recycling and safe disposal of such substances. It endorsed the UNEP proposal for a financial mechanism to enable the developing countries to meet the requirements of the Montreal Protocol. The Tropical Forestry Action Plans (TFAPs) were also being taken into account in the preparations for the Second Consultation on Wood and Wood Products.

16. UNIDO had launched a programme of industrial rehabilitation in response to the high priority attached thereto by its member States. The programme aimed to demonstrate that industrial rehabilitation could both increase productivity and reduce environmental problems. UNIDO fully supported the GEF and was actively involved in the preparations for UNCED. It hoped that the preparatory process and the Conference itself would forge links between the various components of the United Nations system with a view to providing comprehensive and co-ordinated responses to urgent environmental issues.

17. Mr. BABINGTON (Australia) said that his delegation, which congratulated UNDP on giving environmental issues greater prominence both in its strategic planning and at the operational level, supported the Administrator's proposal to allocate more SPR funds to the area in the fifth programming cycle. The report of the Administrator revealed that Action Committee approvals for environment-focused projects had doubled in dollar terms over 1988 and that nearly one quarter of current project activities contributed towards environmentally sound and sustainable development.

18. Much, of course, had still to be done. UNDP should continue to build local capacities for environment-related projects and integrate environmental concerns into the project cycle as a normal part of project formulation and implementation. It had a vital role to play in assisting Governments to prepare for UNCED: it should hold more workshops on environment and sustainable development and continue to support regional conferences. The efforts to encourage effective participation by community-based groups, NGOs, and the private sector in developing countries were particularly welcome, for

it was essential to the success of the 1992 Conference. UNDP also had a vital role to play in assisting the developing countries to cope with the requirements of the Montreal Protocol and the proposed conventions on climate change and biodiversity and to develop environment-friendly processes.

19. The international community's response to the challenges of environment and development would perforce be complex and would need to take into account a great diversity of local conditions. The countries geographically closest to Australia, for example, had particular environmental concerns which must continue to be given due weight in development and environment planning. UNDP should continue to publish Environmental Concerns in the Asian and Pacific Region and make similar publications available for the other regions.

20. The GEF initiative was of particular interest and his delegation would like more detailed information about it.

21. Finally, on the issue of resource-allocation for environmental activities, his Government accepted a responsibility to contribute to international efforts to protect the environment, repair damage and promote ecologically sustainable development. It would continue to give practical assistance to countries to help them sustain their development. As an example, it had adopted guidelines for the integration of environmental concerns into development assistance programmes and had established a four-year special environmental assistance programme.

22. Mr. ABDEL-NASSER (Observer for Egypt) said that his delegation appreciated the part played by UNDP in the preparations for UNCED and, in particular, the high-level seminar held at Cairo in May on the Programme's role in the Arab region. It welcomed the tripartite efforts of UNDP, UNEP and the World Bank to create an international facility to fund the projects of middle- and low-income developing countries and help them develop their human resources. UNDP assistance to the developing countries on implementation of the Montreal Protocol was also most welcome.

23. The general approach to environment and development must aim at implementing a development strategy reflecting the priorities and needs of the developing countries. The environment was closely linked not only to economic development but also to social development and poverty alleviation, especially in the African countries. Concern for the environment must not, however, take the form of a new conditionality in the assistance furnished to developing countries.

24. His delegation agreed with the Administrator on the importance of the role of NGOs in halting environmental degradation. Government initiatives must also be supported, especially by collaboration between developed and developing countries. In that connection, desertification control was especially important, for desertification threatened the environment on an international scale.

25. Mr. MALMIERCA (Cuba) said that, while an integrated view of environment and development was vital, it should be remembered that the circumstances of each developing country were different and must be taken into account in all co-operation between Governments on the environment. It was also important for UNDP to maintain close co-ordination with other organizations in the United Nations system, especially UNEP. The integrated approach in such areas

as transfer of technology, training, and the use of natural resources should link environmental problems to the national priorities that must remain at the centre of all activities.

26. Mr. HALVORSEN (Norway), speaking on behalf of Denmark, Finland, Sweden and Norway, said the Nordic countries considered that, although welcome progress had already been made, there was still much more to be done. They would support further UNDP initiatives, in addition to the SDN, EMG and GEF.

27. The Sustainable Development Network (SDN), which should be designed to fill gaps in existing information systems, might in due course be expanded from the national to the regional and interregional levels.

28. The Nordic countries supported the intention behind the development of the Environmental Management Guidelines (EMG). It was important to focus efforts on the decision-making process throughout the programme and project cycles, and it was to be hoped that active use of the guidelines would make the concept of sustainable development more operational in UNDP activities. The EMG must be followed up by training activities and promoted throughout UNDP, and that necessarily demanded both time and money. The Nordic countries, which would support an increased SPR allocation for such activities during the fifth programming cycle, hoped that further testing and development of the EMG by UNDP would help to establish such guidelines throughout the United Nations system.

29. With regard to the preparation of the GEF, the Nordic countries accorded high priority to threats to the global environment and recognized that the industrialized countries must carry the main responsibility for solving problems that had been created mainly by them and provide new and additional resources to developing countries which undertook actions of benefit to the global environment. They therefore welcomed the current efforts to identify financing mechanisms for global environmental purposes.

30. Despite the agreement on a number of issues at the recent Paris meeting on the GEF, other issues had still to be addressed, such as the need for additional financing and for close inter-agency co-operation and a clear demarcation of responsibilities among UNDP, UNEP and the World Bank, as well as in any arrangement under the Montreal Protocol.

31. The Facility must have a broad multilateral character, and UNDP should therefore continue to take part in international consultations on the question. It might usefully initiate exploratory missions to developing countries to assess the practical application of the GEF. The Nordic countries would certainly be active participants in all discussions on means of addressing global environmental problems and they looked forward to active participation by the developing countries as well.

32. The regional follow-up conference to the report of the World Commission on Environment and Development, organized by the Economic Commission for Europe, had also addressed such issues, and the final documents of that conference constituted a major contribution from the ECE region to the preparations for UNCED. UNDP must play its full part in those preparations, not least by helping developing countries to produce their country reports. In general, UNDP should promote a multi-sectoral and integrated approach to environment and development in a framework of equitable economic growth.

33. Lastly, while paragraph 29 of the report emphasized the role of people's participation in the Tropical Forestry Action Plans, it had been questioned whether that concern had been given due weight in the implementation of the Plans. The Nordic countries would like to hear UNDP's views on that important issue.

34. Mr. IVERSEN (Federal Republic of Germany) said that his Government, attached particular importance to environmental matters of every kind. The important technical co-operation role which UNDP could play had rightly been recognized by the World Bank in the preparation of the GEF. His Government intended to provide the Facility with substantial support.

35. Mr. LIMA (Brazil) said that, since the importance attached by his Government to environmental issues was well known, his delegation would restrict its comments to the support furnished by UNDP to Brazil, in order to establish permanent project co-ordination in the environmental area and strengthen environmental management with a view to identifying a series of new proposals and stimulating internal and external investment opportunities.

36. The treatment of environmental issues was undergoing radical change throughout the world. In Brazil, the new institutional requirements were leading to a greater involvement of the people and therefore to new demands. To respond to those demands, it was essential for the political, scientific, technical and managerial sectors to be fully prepared and Brazil's country programme envisaged major support for environmental projects, which amounted to 30 per cent of all the projects being implemented.

37. Brazil was honoured to act as host to the 1992 United Nations Conference on Environment and Development (UNCED) which, it hoped would prove to be a milestone in the treatment of environmental issues. However, the Conference entailed a heavy work-load and his delegation thus expressed its satisfaction that, as well as acting as a sponsor for the Conference, UNDP was assisting his Government to find other co-sponsors. UNDP was also involved in the preparation and dissemination of the results of related events. His Government was fully committed to UNCED and aware that its success would largely depend on the important role played by UNDP.

38. Mr. DE BEER (Netherlands) said that his delegation wished to caution against the expanded definition of environmental projects given in annex III to the Administrator's report. What was important was that all projects and programmes should comply with the criteria of sustainable and environmentally sound development, and that meant that environmental considerations should play an important role in project formulation, appraisal, execution and evaluation. It was not sufficient merely to describe all projects complying with the criteria as "environmental projects". UNDP should work towards a "greening of aid". The fact that 25 per cent of its projects fell within the criteria could not be called a success but should encourage the Administrator to continue his efforts.

39. The energy component, which occupied an increasingly important place in the environmental field, should be given a higher priority than in the past. That consideration was not mentioned in the report or in the EMG. Of similar importance were the projects clearly related to the protection and rehabilitation of the environment; they should receive due attention in the allocation of resources. The information about the EMG given in annex II was

useful, but his delegation would like a copy of the complete guidelines when available. Lastly, it noted with pleasure the announcement of the involvement of UNDP in the GEF.

40. Mr. JASINSKI (Poland) said that his delegation, which fully supported the UNDP activities aimed at implementation of the environmental strategy, wished to draw attention to two problems concerning Central and Eastern Europe which were not mentioned in the report of the Administrator but had been highlighted in the statement by the Prime Minister of Poland to the ILO General Conference on 12 June 1990.

41. The Prime Minister had stated that the world situation was such that it was virtually impossible for any country to solve environmental problems by acting alone. His Government had thus launched, in conjunction with the Government of Sweden, the idea of a conference of Baltic States which would be held in September 1990. It was hoped that the conference would result in co-operation for the protection of the environment of that region.

42. The Prime Minister had also referred to the serious environmental degradation in Silesia, Poland's most heavily industrialized region, and adjoining areas of the neighbouring States. Like the Baltic Sea, that region merited UNDP attention. His delegation therefore hoped that they, and indeed all regions of ecological disaster, would be given the necessary assistance under UNDP regional and country programmes. The experience gathered in the course of such technical co-operation would be of benefit to both developing and developed countries.

43. Mr. MACARTHUR (United States of America) said that his delegation had taken note of the statement by the Secretary-General of UNCED during the high-level debate concerning the preparations for the Conference. It commended the facilitative role played by UNDP in those preparations, in which the United States was taking a keen interest.

44. With regard to the report by the Administrator currently before the Council, the training of staff, building of information networks, development of environmental guidelines, and country-specific work in support of sustainable development all appeared to be useful activities. However, his delegation was concerned by the several references in the report to additional concessional funding. It was generally not in favour of new additional resources for international funds or mechanisms intended to address environmental needs, for it believed that existing resources within the multilateral development banks and other institutions were appropriate for that purpose.

45. Mr. WARD (Canada) said that, while his delegation noted the increase in the number and value of environmental projects over the past two years, it was more interested, like the delegation of the Netherlands, in the integration of environmental concerns into the design of all projects, in the collaboration with other agencies, and in the promotional work which UNDP had undertaken.

46. The Administrator had said that the environment would occupy the centre of the development agenda for the next decade. The Canadian Government shared that view and was currently formulating an overall environmental strategy. However, since the strategy would not be presented to Parliament until the autumn, his delegation was not yet in a position to comment on the resource

questions raised by the report of the Administrator, particularly with reference to the GEF. However, it was able to encourage the Administrator to give high priority to the use of SPRs during the fifth cycle to promote national capacity-building in environmental policy and project formulation.

47. Mr. KOHLER (International Labour Organisation) said that the current International Labour Conference had before it a report of the Director-General on environment and the world of work. The Director-General was especially concerned about the uncertainty affecting not only environmental questions proper but also their economic, political and social implications. The key question was by whom the bill would be paid. The sharing of costs and benefits within and between countries might be just as important as the environmental policies themselves.

48. Many speakers at the Conference had raised the question of the relationship between environmental problems and policies and employment, training and working conditions, drawing particular attention to the loss of livelihood in developing countries as a result of environmental degradation. ILO emphasized an integration strategy in helping its tripartite constituents - workers, employers and Governments - to play a role in environmental policy and it was also considering the employment implications of environmental strategies; the attention was always focused of course on traditional ILO activities. Many ILO international standards concerning the working environment could also play a role in protecting the natural environment; the Conference was discussing, for example, an international labour convention and recommendations on the use of chemicals at work.

49. ILO looked forward to continuing its fruitful collaboration with UNDP, especially in employment and training, but it would also like to collaborate on internal staff training and make use of UNDP experience in that area. Such co-ordinated approaches to staff training in the United Nations system would help to rationalize the treatment of environmental issues in the future. ILO would also continue to collaborate in the preparations for UNCED, its main purpose being to ensure that the development dimension was integrated into the preparatory process.

50. Miss DOHERTY (United Kingdom) said that her delegation welcomed the Administrator's report and the policy guidelines contained therein. It was especially pleased with the action taken by UNDP to develop co-operation with other United Nations organizations and was interested to learn of the progress made in the establishment of the GEF. It welcomed the streamlining of the Programme's overall capacity to deal with the environment, especially by making institutional adjustments, strengthening the Environmental Action Team, and raising awareness through workshops on the environment and sustainable development. In that connection the establishment of the SDN and formulation of the EMG were welcome, as was the bottom-up approach to training and participation in the use of the guidelines.

51. Her delegation also welcomed the emphasis on environmental management but cautioned against the redefinition of the concept of the environmental project: all projects had an environmental impact, and the aim must be to ensure adequate environmental accountability in all projects and to enhance the environment. Lastly, it encouraged UNDP involvement in the preparations for UNCED.

52. Mr. KHAN (Pakistan) said that the environmental challenge could not be addressed in isolation from the problems of underdevelopment, for the technological means available to the developing world were inadequate for the task. The industrialized countries had succeeded to some extent in redressing the environmental damage caused by industrialization, and the developing countries could use that experience. Hence the need to speed up and enhance the content of the transfer of technology from the industrialized to the developing countries. UNDP had a crucial role to play in that regard. The international mechanisms for strengthening environmental co-operation needed to be more result-oriented. In particular, UNEP should be strengthened as the main source of environmental data assessment and reporting and the main advocate and agent of change in international environmental co-operation. It must be given a greater capacity to identify, assess and report on risks of irreversible damage and threats to the survival and well-being of the world community.

53. At the national level, Pakistan was paying special attention to environmental issues and the creation of environmental awareness, including the environmental impact assessment of development projects and research on the country's environmental conditions. Measures had also been taken to protect the environment, including the creation of an institutional framework, the promulgation of environmental legislation, the incorporation of the environmental dimension in development planning, and the formulation of environmental quality-control standards.

54. Mr. EL-FERJANI (Libyan Arab Jamahiriya) said that the Administrator's excellent report gave an overview of environmental concerns and outlined the framework for implementation of the Programme's environmental strategy. It also described environmental priorities at all levels. In that connection, his delegation stressed the importance of environmental training and of guidelines to ensure that the environmental dimension was given due weight in all development activities, with particular emphasis on people's participation. It hoped that the 1992 Conference would achieve concrete results in that area.

55. At the national level his Government was paying increased attention to environmental issues: it had set up specific bodies and had promulgated environmental-protection laws making it mandatory inter alia to include the environmental dimension in all development activities. Efforts were also being made to promote activities likely to enhance the environment. Environmental protection was a collective responsibility, but the greatest burden must be borne by the industrialized countries, for they had the necessary technology. The steps taken to strengthen national and regional capacities to evaluate climate and climate change were welcome, and co-operation between countries in that area was of course essential.

56. UNDP and UNEP should give increased attention to the environmental problems of the African continent such as desertification and drought. His delegation, which hoped that the necessary technologies and financial support would be furnished on concessional terms and stressed the need to co-ordinate environmental projects at the national, regional and global levels, would like to know whether UNDP envisaged any initiatives to combat desertification and drought in Africa as a whole and in the countries of northern Africa in particular.

57. Mr. ZAPATA (Observer for Argentina) said that his Government attached very great importance to the environment. His delegation endorsed the contents of the report of the Administrator and noted with satisfaction the preparations for the 1992 Conference.

58. Mr. THUN-HOHENSTEIN (Austria) said that environmental degradation did not respect national frontiers, and concern about the environment must often be a transboundary concern. It was fundamental for an organization such as UNDP to bring development efforts into line with environmental protection and not let them run counter to it.

59. The "greening" of traditional development thinking was a difficult undertaking, and the distribution of the burden among States still aroused controversy. There was no alternative, however, and eventually all countries would be better off. UNDP must play its vital role in making sustainable development operational and further speed up its action to that end. Action on the environment could easily be too late, but never too early.

60. Mr. PENZIN (Union of Soviet Socialist Republics) said that his delegation noted with satisfaction the increased attention given by UNDP to environmental problems. Indeed, most UNDP-funded projects were related in some degree to environmental issues, and both the environment and the projects themselves would benefit from that increased attention.

61. It agreed with the emphasis on co-ordination and on the catalytic role to be played by UNDP. While still seeking to realize its potential in individual country programmes, UNDP should concentrate on enhancing environmental activities in its global and interregional programmes, in co-operation as appropriate with UNEP, FAO and WHO, a point that had been made by his delegation during consideration of the agenda item on global and interregional projects.

62. Mr. HEIN (Food and Agriculture Organization of the United Nations) said that the twenty-fifth FAO Conference had passed a resolution on sustainable development calling, inter alia, for higher priority to be given to the prevention of environmental degradation and a strengthening of co-operation with other United Nations organizations. FAO had also been reinforcing its activities related to environment and sustainable agriculture by introducing environmental impact assessment procedures and establishing an inter-departmental task force in its Field Programme. It would collaborate with UNDP in the further development of environment-related activities, especially the implementation of the EMG.

63. Mr. EL GOUATH (Mauritania) said that a country like his own with a large desert territory had necessarily to be concerned with environmental issues. His delegation endorsed many of the points made by the Australian delegation but it regretted that the Administrator had not taken account in his report before the Council of General Assembly resolution 44/172. That resolution concerned desertification and drought, and UNDP should be a focal point for the treatment of the issue. His delegation had wanted the resolution to address the two complementary topics of the environment and the 1992 Conference.

64. Lastly, it was not for UNDP to define environmental principles or issues, since the 1992 Conference had been convened for the purpose. The Administrator's report was a very comprehensive and technical one that should be given further consideration at a future session.

65. Mr. GUCOVSKY (Deputy Assistant Administrator and Director, Technical Advisory Division) said that UNDP fully agreed with the representative of Libya that activities to combat desertification and drought warranted the highest priority. In addition to the many country and some regional projects being executed in Africa, there was also the extensive programme of the United Nations Sudano-Sahelian Office (UNSO). There were currently 67 UNSO-funded projects amounting to $US 27.2 million.

66. In consultation with regional organizations, UNDP was also helping African countries with their environmental action plans and their preparations for UNCED. One very important initiative was the establishment of an Arab-State centre for research and development on environment and sustainable development, which placed great emphasis on the issues mentioned by the delegation of Libya.

67. UNDP fully agreed with the delegation of the Netherlands concerning the key issue of energy. It had collaborated with UNEP and WRI in the publication of World Resources 1990-91: A Guide to the Global Environment, the first of a series of reports. The Secretariat would be happy to circulate to the Council a detailed note on the Programme's energy activities.

68. The Secretariat agreed with the several delegations, including that of the USSR, which had stressed the importance of global and interregional programmes. The data indicated that such programmes were devoting increasing resources to issues directly related to the environment. It also agreed with the many delegations, including those of Australia and Austria, which had said that much more needed to be done. With the Council's guidance on policy and with some extra funding, UNDP would accomplish more. Some of the achievements of the past two years had been made possible by the generous extrabudgetary contributions of a few countries, such as Norway. But more funding was needed; the EMG, for example, would require extra funding if they were to become an integral part of all activities.

69. On the question of the definition of environmental projects, it should be noted that, in annex III to his report, the Administrator had retained definition type A as a basic yardstick. Types B and C had certainly given rise to differences of opinion but the important thing, as most delegations had stressed, was that all UNDP technical co-operation activities should give due weight to sustainable development and the environment. The Administrator and his staff were very aware of that need. When the Council took up the country, regional and interregional programmes for the fifth cycle, it would surely find much greater emphasis on all environmental problems. As the representative of Brazil had noted, one third of the projects in Brazil's country programme were already directly environment-related. The same was true of many other countries.

70. UNDP welcomed the importance attached to collaboration in the statements made by the representatives of the specialized agencies. One of the Administrator's cardinal objectives was, in fact, to work in close concert

with the other components of the United Nations system. He fully recognized, however, that priorities differed from one country to another, and the countries must be given the means to define their own priorities.

71. On the question of the Tropical Forestry Action Plans (TFAPs), raised by the representative of Norway, the Secretariat agreed with some of the criticism, which was, in fact, reflected in the evaluation report currently under review by FAO. The Council could rest assured that FAO and all the participants in the TFAPs were taking the necessary steps to correct their shortcomings and ensure that what the Administrator said in his report would in fact be done.

72. The Administrator was grateful for all the constructive suggestions made by members of the Council and assured them that at least some progress would be reported at the next session.

73. The PRESIDENT said that, if he heard no objection, he would take it that the Council wished the Drafting Group to prepare a draft decision on the sub-item.

74. It was so decided.

(xiv) THE ROLE OF UNDP IN COMBATING HIV AND AIDS (DP/1990/91)

75. Mr. ROTHERMEL (Director, Division for Global and Interregional Programmes) said that a repeated theme at the current session had been that development should lead not only to economic growth but also to a positive transformation in the quality of people's lives. One of the most serious obstacles to such a transformation was the growing phenomenon of the human immunodeficiency virus (HIV) and the acquired immunodeficiency syndrome (AIDS), which were therefore matters of great concern to UNDP.

76. In recognition of the contribution that UNDP could make in tackling the social and economic effects of the epidemic, the WHO/UNDP Alliance to combat AIDS had been jointly conceived in 1988. The note by the Administrator on the role of UNDP in combating HIV and AIDS (DP/1990/91) summarized some of the actions taken since then: strenuous efforts had been made to strengthen the capacity of Governments to deal with the epidemic, first by seeking a better understanding of the problem and secondly by assisting Governments with their national prevention and control plans, as well as supporting specific projects.

77. That collaborative effort served as a good example of the use of the relative strengths of each organization and had ensured a more co-ordinated response to the epidemic by the international community. The Director-General of WHO had recently described the Alliance as a most important means by which WHO and UNDP could provide support to national AIDS-control programmes. There could therefore be some satisfaction that a collaborative arrangement to assist Governments was in place and that every country in the world had devised a national AIDS plan. The magnitude of the international response had been unprecedented, but the threat left no room for complacency.

78. UNDP was sharpening its focus on areas of its particular expertise such as community participation and working with NGOs. It also had experience of working with groups particularly susceptible to infection, such as women and the poor, and it was playing an increasingly active role through national IPFs to help with management and education activities.

79. Although not mentioned in the note by the Administrator, progress was being made in applied research and training under the global blood safety initiative approved by the Governing Council in 1988. UNDP continued to play its traditional role in supporting Governments with their planning and development requirements, including those related to HIV infection and AIDS.

80. At its special session in February 1990, the Council had decided to consider at its current session the undertaking of a study of the socio-economic impact of the AIDS pandemic. Paragraph 9 of the Administrator's note contained a proposal to initiate a preparatory phase of such a study: what was envisaged was a multidisciplinary analysis on a country- or community-specific basis. A concurrent effort to strengthen institutional capacities in developing countries to carry out research on the effects of the HIV epidemic was an important aspect of the undertaking. The Administrator sought the Council's views on that proposal and on the proposal for strengthening the Programme's internal capacity to respond more effectively. However, both proposals would entail additional funding.

81. Dr. MERSON (Director, WHO Global Programme on AIDS) said that, in his short time as Director of the WHO Global Programme on AIDS, he had realized the importance of the collaboration between UNDP and WHO, particularly the WHO/UNDP Alliance to combat AIDS, in facing the immense challenges of preventing HIV infection and caring for persons with AIDS. He was able to assure the Council that the efforts would continue unabated, as would the commitment to provide global leadership in the fight against the epidemic.

82. The priorities were clear. First, collaboration with national AIDS-control programmes must be strengthened and the best ways must be found to integrate AIDS-control activities with other disease-control programmes. Secondly, WHO would accelerate its research and development activities, including support for the testing of new drugs and vaccines and intervention studies to identify ways of sustaining changes in high-risk behaviour.

83. Thirdly, WHO would continue to deal innovatively with the problem of complacency, finding ways of presenting the extent of the pandemic and demonstrating its social, economic and development implications. It was alarming that, in many parts of the world where AIDS had been of low prevalence, it was currently on the rise. If infections increased very rapidly in the low-prevalence countries during the early 1990s, the projection of 15 to 20 million cumulative infections by 2000 would need to be revised significantly upward and by then at least 80 per cent of infections would be in developing countries and transmitted heterosexually.

84. The fourth priority was to continue to play a leading role in the area of human rights and non-discrimination. For example, the Director-General of WHO had recently suggested to all member States that they should review their national HIV/AIDS policies and laws and repeal any which discriminated against infected persons.

85. WHO looked forward to working closely with UNDP in all those efforts. The two organizations must act promptly and with determination in order to prevent an even greater tragedy.

86. Mr. BABINGTON (Australia), speaking on behalf of the delegations of New Zealand and Australia, said that the number of persons currently known to be infected with HIV and the projections of future levels of infection were alarming. The epidemic was a global one, but its effects would be particularly pronounced in the developing countries. The delegations he was representing fully supported the efforts of UNDP to help combat the problem. The WHO/UNDP Alliance was a milestone, combining the strength of WHO as the international leader in health policy and of UNDP as a leader in socio-economic development.

87. The note by the Administrator suggested that the time had come to move from the initial phase to the next phase of increasing the understanding of the development implications of the epidemic. That was the underlying message of Council decision 90/9. The delegations he was representing supported that decision but thought that any study must be directly relevant to individual country and/or community circumstances. They strongly supported the Administrator's proposal in paragraph 9 of his note that preparatory work for the study should be undertaken with SPR funds and that, in the second phase, longer-term studies should be undertaken at the country or community level. It was important that the exercise should help to develop capacities to forecast and plan for the longer-term effects of the epidemic.

88. With regard to UNDP personnel policies and practices, the delegations he was representing commended the initiative of the United Nations system in preparing a booklet on HIV/AIDS for all staff members and their families. More work should be done to develop personnel policies in respect of AIDS, and they would be interested to learn from the Secretariat of any progress in developing guiding principles for such policies.

89. Mr. DE BEER (Netherlands) said that the main reason why his delegation felt that time should be spent discussing the HIV/AIDS epidemic was because of its direct impact on development in view of its growth, scope, and the social groups it affected most. His delegation still supported the WHO/UNDP Alliance even though in the past, it had criticized the emphasis on words with too little implementing action. Since the Alliance was several years old, the Secretariat might perhaps indicate whether the wording of the agreement still matched requirements; what the feedback from the field had been and how the field-level collaboration was developing.

90. The Global Programme on AIDS had played and would continue to play a major role in co-ordinating efforts to combat HIV/AIDS: it had helped to create world awareness of the problem and to set up national AIDS programmes in virtually every country; the name of the Programme's former Director would always be linked to that success. The time had come, however, to transform the objectives into reality and WHO had logically turned to UNDP as a natural partner. But the partnership should not be a limited one and other organizations both inside and outside the United Nations system should be invited to join in the effort.

91. Turning to the matters dealt with in the note by the Administrator, he said that his delegation agreed that all resident representatives should be urged to ensure that HIV/AIDS activities were included in the programmes under the fifth cycle. It noted with satisfaction that an increasing number of field offices were receiving requests from Governments for assistance but wished to know whether there was enough knowledge in the field to appraise those requests. The Secretariat might also explain what was meant by the statement in paragraph 4 that UNDP was to strengthen its capacity to assist Governments.

92. His delegation agreed with the conclusions contained in paragraphs 8 and 9 and welcomed the efforts made by UNDP to co-ordinate with other relevant organizations. In the preparatory-phase studies, UNDP would presumably make use of existing WHO and other studies. The Administrator should report to the Council at its next session on the results of the first phase and his plans for the longer term. On the basis of such a report, the Government of the Netherlands would then determine whether it was in a position to contribute to the follow-up activity.

93. The innovations described in paragraph 10 were undoubtedly needed but, while UNDP had a role to play, it could not be expected to do all the work itself. The major purpose of the Alliance and of the UNDP role in the United Nations system was to determine how a contribution could best be made to the needs of the developing countries. If such a contribution required strengthening of UNDP capacity, his delegation would like to know how that would be done.

94. There were a number of matters not dealt with in the note by the Administrator. First, it was not clear how the regional bureaux were involved in the activities. It had been suggested elsewhere that the Division for Global and Interregional Programmes (DGIP) should be brought under the direct control of the Administrator because of its functional relationship with the regional bureaux. His delegation would welcome some information on the relationship between the Division and the bureaux with regard to HIV/AIDS activities.

95. Secondly, there were many particular problems that warranted the full attention of UNDP and other bodies: one such problem was the vulnerability of women and children, in particular the transmission of infection from mother to foetus or infant and the increase in some countries to 11 per cent of the infection rate among children under five. Where possible UNDP should support activities to combat such problems.

96. Lastly, it was noteworthy that no countries from the Latin American and Caribbean region were listed in paragraph 3. Since the WHO figures showed that there were problems in that region also, he presumed that, if requested, UNDP would also provide assistance there.

97. Mr. CRUSE (France) said that the primary role of UNDP was to inform countries affected by the pandemic of the economic and social implications for their development and to help them to take appropriate preventive measures. There was already sufficient data for the most seriously affected population groups to be targeted. His delegation was therefore in favour of the proposed study and the initiation of the preparatory phase, which should be undertaken in close collaboration with WHO and other relevant bodies, as well as with Governments.

98. The UNDP resident representatives would have an important role to play in that area during the fifth programming cycle, and his delegation noted with satisfaction their recruitment to the campaign at the country level and in particular among community organizations. Local NGOs could indeed play a decisive part at the village level in disseminating information about the pandemic and about preventive measures. His delegation would thus support any resolution endorsing the proposed study so as to enable UNDP and the international community to offer an appropriate response to the problems of the countries affected by HIV/AIDS.

99. Ms. HELLSTROM (Sweden), speaking on behalf of the delegations of Denmark, Finland, Norway and Sweden, said that the Nordic countries had endorsed the concept of the WHO/UNDP Alliance and the utilization of the comparative advantages of each organization to respond to the needs identified in national AIDS programmes. The field-based structure of UNDP and its socio-economic skills ought to have led to the speedy implementation of programmes in the developing countries. However, the Alliance seemed to have made a slow start, and there was apparently a need for concertation of efforts within the United Nations system. The opportunity for WHO to make use of the UNDP field network should not be missed.

100. The Nordic countries would like to be informed about the obstacles which the Alliance had apparently encountered. UNDP must intensify, both inside and outside the Alliance, its efforts to mobilize support for and participation in socio-economic programmes in the communities affected by HIV/AIDS.

101. Mr. MACARTHUR (United States of America) said that his delegation endorsed many of the comments already made on the WHO/UNDP Alliance, which had made a good start. It supported the proposed allocation of $US 150,000 for a review of studies on the social and economic impact of the AIDS epidemic. It was pleased with the high level of co-ordination on the issue among United Nations agencies but stressed the importance of co-ordination both with such agencies and with bilateral donors. For example, the United States Agency for International Development (USAID) had already spent much money on mathematical modelling of the social and economic impact of the epidemic, and it was not clear that UNDP was aware of those efforts. UNDP should therefore begin its initiative by convening a consultation meeting of bilateral and multilateral agencies working on HIV/AIDS.

102. Miss DOHERTY (United Kingdom) said that the social and economic impact of AIDS was an important area for study, but it was first necessary to establish what was already being done in that area. Her delegation thus supported the United States delegation's suggestion regarding a consultation meeting, which should take place prior to the initiation of the preparatory phase of the proposed study. The United Kingdom had already funded research in that area, and the Ford Foundation and the World Bank were also involved in regional and country-level research. It was to be hoped that the results of the study would pave the way for longer-term work, and her delegation would like to know whether any time-frame had yet been agreed.

103. It was important that the co-ordination role of the Global Programme on AIDS be maintained, and UNDP should therefore continue its close liaison with the Programme. The handbook for staff was a useful management tool. Lastly, her delegation would welcome an assurance that the support given to Governments in national AIDS programmes was compatible with the Global Programme's essential role of preparing short- and medium-term control programmes in consultation with Governments.

104. Mr. ROTHERMEL (Director, Division for Global and Interregional Programmes) said that the guiding principles for personnel policies, to which the representative of Australia had referred, had not yet been issued. UNDP was currently studying the guidelines that had been issued by other organizations.

105. In reply to the questions asked by the representative of the Netherlands, he said that UNDP had discussed with the Director of the WHO Global Programme on AIDS and with other colleagues whether the wording of the Alliance agreement needed to be modified. They had concluded that the Alliance provided a basic framework for overall collaboration and was still adequate for the task. The replies to the questionnaires sent to all field officers indicated that, while the Alliance was not 100 per cent effective, it was working well at the field level in the vast majority of countries. WHO and UNDP certainly wanted to involve other organizations in their partnership: consultations were already advanced with the International Planned Parenthood Federation, and the Alliance was working with the Inter-Agency Advisory Group on AIDS, the United Nations Standing Committee on AIDS, the United Nations Fund for Population Activities, the United Nations Office at Vienna, and other international and non-governmental organizations.

106. Requests received from Governments were certainly appraised, but one reason for the need to increase headquarters and field capacity was to be able to improve such appraisal. With regard to the strengthening of UNDP capacity referred to in paragraph 4 of the note by the Administrator, an attempt was currently being made to determine how UNDP could best respond to the requirements; paragraph 11 indicated some of the steps already taken.

107. As for the relationship between the regional bureaux and the Division for Global and Interregional Programmes the position was that the Division acted as the focal point for HIV/AIDS activities, working closely with the regional bureaux. For example, a programme was under preparation, in collaboration with the Regional Bureau for Africa, on women and AIDS in Africa. The representative of the Netherlands was right to draw attention to the seriousness of the transmission of infection from mother to foetus or infant; a problem that must not be overlooked in field activities.

108. Lastly, on the question of Latin America and the Caribbean, the Secretariat would provide specific information on activities undertaken within the framework of the Alliance in several countries of the region where the prevalence of HIV infection was high.

109. The representative of Sweden had asked about the obstacles encountered by the Alliance. The arrangement was not, as already pointed out, 100 per cent perfect, but WHO and UNDP were seeking to overcome the obstacles as quickly as possible.

110. The suggestion by the representative of the United States concerning consultations was a welcome one; WHO and UNDP were, in fact, planning a conference in 1991 on the social and economic aspects of AIDS and development. Various consultation meetings would undoubtedly be held before that conference.

111. The representatives of the United States and the United Kingdom had suggested that, for the purposes of the proposed study, the data that already existed should be examined. WHO had, in fact, already made an analysis of

existing materials and the Alliance was also working closely with the World Bank in the matter; it welcomed any offers of assistance and information from other bilateral donors. As to the last point raised by the representative of the United Kingdom, UNDP-funded programmes were indeed carried out within the framework of national AIDS plans and were compatible with the Global Programme on AIDS.

112. The PRESIDENT said that, unless he heard any objection, he would take it that the Council wished the Drafting Group to prepare a draft decision on the sub-item.

113. It was so decided.

OTHER MATTERS (agenda item 10) (continued)

(e) REPORTS OF THE JOINT INSPECTION UNIT OF INTEREST TO UNDP (DP/1990/90)

114. The PRESIDENT said that the Council had before it a note by the Administrator describing the reports of the Joint Inspection Unit of interest to UNDP (DP/1990/90). If no delegation had any comments to make on the matter, he would assume that the Council wished to take note of that document.

115. It was so decided.

(b) STEPS TAKEN BY UNDP IN RESPONSE TO GENERAL ASSEMBLY ACTION AT ITS FORTY-FOURTH SESSION AND OTHER ORGANIZATIONS OF THE UNITED NATIONS SYSTEM IN 1989 (DP/1990/75)

116. Mr. KELLAND (Denmark), speaking on behalf of Finland, Norway, Sweden and Denmark, said that, while the Nordic countries welcomed the constructive elements contained in General Assembly resolution 44/211, they doubted whether any concrete results would follow, particularly with respect to co-ordination. Progress in that area presupposed explicit recognition of the varying needs and circumstances of recipient countries and of the fact that responsibility for co-ordination rested with them.

117. All recipient countries had a right to expect the efforts of the United Nations system to be well co-ordinated, and to choose to provide that co-ordination themselves. The issue did not concern those developing countries which had sufficient administrative capacity to carry out the co-ordination themselves or those which received such a limited amount of aid that co-ordination was hardly relevant. It concerned rather the countries which needed support for their co-ordination capacity or wished the United Nations system, under the leadership of UNDP, to do part of the work during a transitional period.

118. The Nordic countries therefore suggested the adoption of a decision providing that, (a) within country programmes, support should be given for building the co-ordination capacity of the recipient country to ensure that all external inputs were integrated in its development process; and (b) every recipient country had the right to demand that UNDP should support efforts to establish one single programme for the activities which the recipient country wished to have incorporated in that single programme.

119. It was not for UNDP to decide what other parts of the United Nations system should do, but the Council could recommend to the Economic and Social Council and the General Assembly that other parts of the system should be asked to comply with requests for more comprehensive country programmes. The Governments of the Nordic countries intended to take the issue up in the relevant governing body in any case where the organization concerned had not respected the wishes of recipients in that regard.

120. The current session of the Council was unique in that the negotiations on a new support-cost arrangement enabled it to influence the shape of operational activities. While the new arrangement should respect the tripartite nature of the system, that did not exclude increased competition from outside the system with respect to execution and implementation, for such competition would increase efficiency and thus benefit the recipients, as well as providing a healthy stimulus to the executing agencies.

121. The issue of national execution had been linked to the support-cost arrangement but, logically, the two issues were separate. National execution was, however, an important question with respect to operational activities and the Nordic countries favoured it as the ultimate objective. It should gradually increase in step with the increased capacities of the recipient countries and it had, in fact, increased quite rapidly over the past decade.

122. However, an across-the-board introduction of national execution would not take sufficient account of the varying circumstances and capacities of recipients, with the possible result of UNDP execution by the back door. That would not be in conformity with the tripartite nature of the system and would lead to duplication. The establishment of special units within recipient Governments to administer UNDP assistance might make it even more difficult to internalize United Nations inputs.

123. The operational activities of UNDP and the United Nations system at large should be consciously geared to the needs of the 1990s. That meant moving away from systems which encouraged the employment of expensive expatriate experts and from the design by executing agencies of projects which were not integrated into the development process of the recipient countries.

124. The Governments of the Nordic countries hoped that the objectives he had just outlined and the need for greater co-ordination and coherence would be borne fully in mind in the preparation of the programmes for the fifth cycle and in the decision on the new support-cost arrangement.

125. The PRESIDENT said that, if no other delegation had any comments to make on the matter, he would take it that the Council wished to take note of the Administrator's document and wanted the Drafting Group to prepare a draft decision on the sub-item.

126. It was so decided.

(a) UNITED NATIONS SYSTEM REGULAR AND EXTRABUDGETARY TECHNICAL CO-OPERATION EXPENDITURES (DP/1989/60 and 74)

127. Mr. GUCOVSKY (Deputy Assistant Administrator and Director, Technical Advisory Division) said that the current report on the United Nations system regular and extrabudgetary technical co-operation expenditures (DP/1990/74) contained, as usual, data and analyses of the regular and extrabudgetary

expenditures of the United Nations agencies during the past decade. To complete the picture of total technical co-operation assistance from the United Nations system, data had also been included on expenditure financed from UNDP central resources, UNDP-administered funds, the World Food Programme, and the United Nations Childrens' Fund, together with certain data on disbursement from the World Bank and the International Development Association. The main purpose of analysing the data over an extended period of 10 years was to identify trends, discuss the behaviour of the various expenditure/contribution categories, and provide a picture of changes. That was why a major part of the report dealt with growth rates rather than nominal figures.

128. Mr. PENZIN (Union of Soviet Socialist Republics) said that the document (DP/1990/74) had been distributed in great haste, in one language only, and bore the prefix "draft". That situation was regrettably not unprecedented. His delegation reserved the right to speak on the matter at a later stage.

129. Mr. HAEMMERLI (Acting Secretary of the Council) said that document DP/1989/60, which contained the data for 1988, had been submitted to the Council in similar circumstances in June 1989. It was currently available in all languages, and the Council was therefore able to take action on it.

130. The information contained in the current report (DP/1990/74) had been received too late for the Secretariat to arrange to have the document translated, but it was nevertheless putting it before the Council for information purposes. The Council would be able to take action on it in 1991, a year late once again, when it would be available in all the official languages.

131. The PRESIDENT said that if no delegations had any comments to make on the matter, he would take it that the Council wished to take note of the report of the Administrator on United Nations system regular and extrabudgetary technical co-operation expenditures in 1988 (DP/1989/60).

132. It was so decided.

The meeting rose at 8.40 p.m.

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Thirty-seventh session

SUMMARY RECORD OF THE 37th MEETING

Held at the Palais des Nations, Geneva,
on Wednesday, 20 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

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Report of the Committee of the Whole

Report of the Drafting Group

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GE.90-61735/4473a

The meeting was called to order at 3.15 p.m.

REPORT OF THE COMMITTEE OF THE WHOLE (DP/1990/L.14)

1. The PRESIDENT invited the Governing Council to decide on the recommendations made by the Committee of the Whole in paragraph 8 of its report (DP/1990/L.14). In that connection, he drew the Council's attention to the fact that a draft decision on reports on mid-term reviews of country, intercountry and global programmes had been discussed by the Drafting Group and would be considered by the Council at the same time as the report of the Chairman of the Drafting Group (DP/1990/L.13/Add.13).

2. The recommendations of the Committee of the Whole were adopted.

3. Mr. PENZIN (Union of Soviet Socialist Republics), referring to paragraph 8, item 5 (b)(v), of document DP/1990/L.14, pointed out that the Russian text referred to the expansion, not to the extension, of the programmes of the last four countries in question.

4. The PRESIDENT assured the representative of the Soviet Union that the necessary corrections would be made to the Russian version of the document under consideration.

REPORT OF THE DRAFTING GROUP (DP/1990/L.5/Add.1 and Corr.1; DP/1990/L.13/Add.2 to Add.14)

5. The PRESIDENT invited the Governing Council to decide on the draft decisions submitted by the Drafting Group in documents DP/1990/L.5/Add.1 and Corr.1 and DP/1990/L.13/Add.2 to Add.14.

DP/1990/L.5/Add.1 and Corr.1; DP/1990/L.13/Add.2 to Add.5

6. The draft decisions contained in documents DP/1990/L.5/Add.1 and Corr.1 and DP/1990/L.13/Add.2 to Add.5 were adopted.

7. Mr. EL GHAOUTH (Mauritania) welcomed the adoption by the Council of the draft decision relating to the United Nations Sudano-Sahelian Office. He recalled that his country and all the countries which benefited from the activities of that Office considered that it should continue to have a special place within UNDP and maintain its direct links with the Executive Office of the Administrator.

DP/1990/L.13/Add.6

8. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that, in the English version of the text under consideration, the first preambular paragraph had mistakenly been placed between operative paragraphs 3 and 4. It should come at the beginning of the draft decision.

9. The draft decision contained in document DP/1990/L.13/Add.6, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.7

10. Mrs. DOHERTY (United Kingdom) requested that the Council should defer its decision on the draft decision as long as the question of agency support costs was still under consideration.

11. Mr. ROHNER (Switzerland) supported the request by the United Kingdom.

12. The PRESIDENT said that, if he heard no objection, he would take it that the Council decided to defer the adoption of the draft decision contained in document DP/1990/L.13/Add.7.

13. It was so decided.

DP/1990/L.13/Add.8

14. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that the informal consultations on that text had not yet been completed and proposed that its adoption should be deferred.

15. The PRESIDENT said that the Governing Council would be invited to take a decision on document DP/1990/L.13/Add.8 in plenary on 22 June.

DP/1990/L.13/Add.9

16. The draft decision contained in document DP/1990/L.13/Add.9 was adopted.

DP/1990/L.13/Add.10

17. Mr. CRUSE (France) pointed out that many delegations, including his own, had not yet had time to consider the Human Development Report 1990, which had only just been distributed in all working languages. That report should therefore not be referred to in the Council's decisions and he proposed that the second paragraph of the draft decision under consideration should be deleted.

18. Mr. AQUARONE (Netherlands) said that all delegations had had an opportunity to express their views on the draft decision before it had been adopted by the Drafting Group. It should therefore not be discussed again in plenary. He accordingly proposed that the Council should simply defer the final adoption of the draft decision until a solution could be found.

19. Mr. CRUSE (France) said he would like the draft decision to be referred back to the Drafting Group.

20. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that the Drafting Group had already approved the text by consensus. He would go along with the Council's decision.

21. Mr. CRUSE (France) said that, because the Council had had so much work at the thirty-seventh session, delegations had not been able to guarantee attendance at all meetings of each body. Moreover, other delegations which had not received the human development report in their working languages had also requested that it should not be referred to in the draft decisions to be

submitted to the Council. In view of the importance of that report, which would be given in-depth consideration, he maintained his amendment and urged that the members of the Council should consider it either in plenary or in the Drafting Group.

22. Mr. AQUARONE (Netherlands) said he feared that such a step might create a dangerous precedent. Since the draft decision had already been adopted by the Drafting Group, delegations which had objections to it would have to hold informal consultations with a view to submitting a proposal for adoption by the Council.

23. The PRESIDENT said it was his understanding that the Council wanted to wait until delegations had held consultations before deciding on a final text.

DP/1990/L.13/Add.11

24. The draft decision contained in document DP/1990/L.13/Add.11 was adopted.

DP/1990/L.13/Add.12

25. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that, in operative paragraph 3, the words "and welcomes his decision" should be replaced by the words "and welcomes this (decision)".

26. The draft decision contained in document DP/1990/L.13/Add.12, as orally amended, was adopted.

DP/1990/L.13/Add.13

27. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that the draft decision had been prepared as a result of a proposal made by the delegations of Canada and the United States and had been supported by the Drafting Group.

28. Mr. ROHNER (Switzerland) said that, during the general debate on agenda item 5 (b)(i), the Administrator had said that he intended to revise the guidelines concerning mid-term reviews and his own delegation had invited the Administrator to submit the revised guidelines to the Council at one of its forthcoming sessions. Since he had not requested that account should be taken of that invitation in the draft decision contained in document DP/1990/L.13/Add.13 before it had been adopted by the Drafting Group, he would merely like to request the Administrator to bear it in mind.

29. The PRESIDENT said that the secretariat took note of that comment.

30. The draft decision contained in document DP/1990/L.13/Add.13 was adopted.

DP/1990/L.13/Add.14

31. The draft decision contained in document DP/1990/L.13/Add.14 was adopted.

The meeting rose at 3.55 p.m.

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SUMMARY RECORD OF THE 38th MEETING

Held at the Palais des Nations, Geneva,
on Friday, 22 June 1990, at 3 p.m.

President: Mr. POPESCU (Romania)

CONTENTS

Report of the Drafting Group (continued)

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GE.90-61758/2369B

The meeting was called to order at 4.35 p.m.

REPORT OF THE DRAFTING GROUP (continued) (DP/1990/L.13/Add.7, 8, 10 and 15 to 28)

DP/1990/L.13/Add.7

1. The PRESIDENT invited the Governing Council to decide on the draft decision submitted by the Drafting Group in document DP/1990/L.13/Add.7, whose consideration at the preceding meeting had been deferred.

2. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that, in the draft decision contained in document DP/1990/L.13/Add.7, paragraph 3 should be replaced by the following text:

"Requests the Administrator, in his report to the Governing Council at its thirty-eighth session (1991) on the sectoral support programme, to address the possible complementarity of this facility with the new support costs arrangements, as well as the issues surrounding an eventual merger with the provisions for technical support services established in 90/- ."

3. The draft decision contained in document DP/1990/L.30/Add.7, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.8

4. The PRESIDENT invited the Council to decide on the draft decision contained in document DP/1990/L.13/Add.8, whose consideration at the preceding meeting had been deferred.

5. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that, in the draft decision contained in document DP/1990/L.13/Add.8, operative paragraph 5 should be replaced by the following two new paragraphs:

"5. Requests the Administrator, in strengthening the capacity of the United Nations Development Programme to respond to the development dimensions of the HIV pandemic, to pay particular attention to prevention, care and support programmes for women;

6. Also requests the Administrator to report, in the framework of the 1992-1993 budget proposals to be discussed by the Governing Council at its thirty-eighth session, on the budgetary proposals for the strengthening of the institutional capacity of the United Nations Development Programme in this area and on the HIV-related programme proposals for the fifth programming cycle."

6. The draft decision contained in document DP/1990/L.13/Add.8, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.10

7. The PRESIDENT invited the Council to decide on the draft decision contained in document DP/1990/L.13/Add.10, whose consideration at the preceding meeting had been deferred.

8. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that paragraph 2 of the draft decision should be deleted.

9. The draft decision contained in document DP/1990/L.13/Add.10, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.15

10. The draft decision contained in document DP/1990/L.13/Add.15 was adopted.

11. Mr. PENZIN (Union of Soviet Socialist Republics) noted that operative paragraph 2 of the draft decision contained in document DP/1990/L.13/Add.15 referred to the Human Development Report. Since that report had not been distributed, he did not think that reference should be made to it.

12. Mr. AQUARONE (Netherlands) pointed out that the draft decision did not refer to the content of the report. It merely drew attention to its publication.

DP/1990/L.13/Add.16 and Add.17

13. The draft decisions contained in documents DP/1990/L.13/Add.16 and Add.17 were adopted.

DP/1990/L.13/Add.18

14. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that operative paragraph 9 of the draft decision should be deleted and that the last four paragraphs should be renumbered accordingly.

15. The draft decision contained in document DP/1990/L.13/Add.18, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.19 to Add.22

16. The draft decisions contained in documents DP/1990/L.13/Add.19 to Add.22 were adopted.

17. Mr. PENZIN (Union of Soviet Socialist Republics) said that the Russian text of operative paragraphs 4 and 6 of the draft decision should be brought into line with the English text.

DP/1990/L.13/Add.23 to Add.25

18. The draft decisions contained in documents DP/1990/L.13/Add.23 to Add.25 were adopted.

DP/1990/L.13/Add.26

19. Mr. MACARTHUR (United States) said that, in the eighth line of operative paragraph 3, the words "which are" should be added before the words "applicable to".

20. The draft decision contained in document DP/1990/L.13/Add.26, as orally amended, was adopted.

DP/1990/L.13/Add.27

21. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that, in the fifth and sixth lines of operative paragraph 3, the words "vigorously the process of" should be added between the word "accelerate" and the words "the national execution". In the third line of operative paragraph 6, the words "as required" were to be deleted. At the end of operative paragraph 7, the words "and requested the Administrator to report to the Governing Council at its thirty-eighth session on the implementation of this decision" should also be deleted.

22. Mr. EL-FERJANY (Libyan Arab Jamahiriya) said that, because there had been no interpretation, he had not been able to take part in the Drafting Group's discussion of the draft decision contained in document DP/1990/L.13/Add.27. At that time, he had not wanted to object to the approval of the text by consensus, but had reserved the right to refer to it again once the Arab version had been distributed. It had, however, still not been distributed. He wished to know how the word "accountability" in the second line of operative paragraph 5 was to be interpreted and what the relationship was between that accountability and the responsibility of Governments which undertook to execute UNDP-funded programmes and projects.

23. Mr. KRAMER (Canada) said that the Administrator's accountability was not a new concept: it had been defined in the Consensus of 1970 and in General Assembly resolution 44/211.

24. Mr. JOSEPH (Associate Administrator) explained to the representative of the Libyan Arab Jamahiriya that the Administrator was accountable to the Governing Council for the use of the resources made available to UNDP, regardless of the entity executing UNDP-funded projects and programmes. When Governments executed such projects and programmes, they were responsible for the timely execution of the various components required for the implementation of such projects and programmes. The Administrator's accountability was not changed in any way when national entities assumed responsibility for the execution itself of projects and programmes.

25. Mr. EL-FERJANY (Libyan Arab Jamahiriya) said that he would not request any further explanations concerning operative paragraph 5 and was prepared to support the adoption of the text by consensus.

26. Mr. GATHUNGU (Kenya), said that, since operative paragraph 3 referred to "successor arrangements for agency support costs" and the consideration of that question had not been completed, the adoption of the draft decision might be premature.

27. Mr. HAMADZIRIPI (Zimbabwe), Chairman of the Drafting Group, said that operative paragraph 3 referred only to the 1 January 1992 date for the implementation of those successor arrangements. It did not relate to their content. The adoption of the draft decision would therefore have no effect on such successor arrangements.

28. Mr. GATHUNGU (Kenya) said that he would not press his point.

29. The draft decision contained in document DP/1990/L.14/Add.27, as orally amended by the Chairman of the Drafting Group, was adopted.

DP/1990/L.13/Add.28

30. The draft decision contained in document DP/1990/L.13/Add.28 was adopted.

31. The PRESIDENT said that the Council had completed its consideration of the draft decisions submitted by the Drafting Group.

The meeting was suspended at 5.45 p.m. and resumed at 11 p.m.